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ABSTRACT

A project at the University of Michigan, Ann Arbor, to develop more useful planning and evaluation procedures, to develop a theoretical framework for viewing alternative approaches to university planning, and to conduct case studies of planning and evaluation in several other large universities, is described. The University of Michigan Evaluation and Planning Project included all units reporting to the vice-president for academic affairs. Three project phases involved: articulation of each unit's objectives and their major operational implications, evaluation of operations in the light of these objectives, and delineation of directions and alternative courses of action. The project was designed to improve the processes by which the university evaluates its activities and programs, establishes priorities, and acquires and allocates its resources. In the first phase of the project, all units reporting to academic affairs were asked to respond to a 26-item questionnaire, which is appended. The questions were designed to elicit statements about major program goals for the next 5 years and changes that would be required to achieve them. Draft planning memoranda were prepared by staff and covered the same areas as the questionnaires: instructional programs, students, staff, research, interunit relations, facilities and support staff, and budget. These documents were intended to serve as a record of decisions regarding future plans for the schools, a 3-year framework for further planning, a plan of action for evaluation, and an information base for college planning. Additional project activities included the Priority Fund Program and a new budget cycle. Problems of implementing the project and conclusions from the Michigan experience as well as from five universities studied by Poulton (1980) are considered. (SW)

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IMPLEMENTATION OF FORMAL PLANNING

Strategies For The Large University

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IMPLEMENTATION OF FORMAL PLANNING

Strategies for the Large University

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February 1982

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PREFACE

In a sense, this monograph dates back more than seven years. Its origin stems from some concerns and convictions first consciously identified in mid-1974. At that time, the dean of the College of Literature, Science, and the Arts had just been appointed Vice-President for Academic Affairs at the University of Michigan, and the director of the Office of Institutional Research had just returned from a year's leave of absence. Both the vice-president and the director shared a sense of frustration that academic administration seemed always to be passive and reactive, with a less-than-clear view of the future. They also shared a conviction that even a university as large as the University of Michigan could not be all things to all people: that future directions could be better identified, priorities more clearly established, and resource choices more consciously made.

Toward those ends, the Office of Institutional Research was renamed the Office of Academic Planning and Analysis (OAPA), and the vice-president assigned to it the task of recommending policies and procedures by which the planning and evaluation functions could be better developed and more effectively incorporated into the administration of the academic sector of the University. The University also applied to the Carnegie Corporation for a grant to assist in putting more useful planning and evaluation procedures into effect and to document the Michigan experience for the benefit of others. That proposal also included a funding request to develop a theoretical framework for viewing alternative approaches to university planning, and to conduct case studies of planning and evaluation in several other large universities. After considerable help from the Carnegie staff in refining objectives, funds were granted.

Products of that funding include two chapters in Jedamus and Peterson (1980). Chapter 7, by Marvin W. Peterson, analyzes alternative approaches to planning. Chapter 31, by Nick L. Poulton, examines planning strategies as reflected in the experiences of five other universities: University of California, Berkeley; Colorado State University; University of Minnesota; Stanford University; and the University of West Virginia. Both Poulton and Peterson were intimately involved in the Michigan planning effort from the beginning. This monograph supplements their writings (with Chapter 3, in particular, drawing upon Poulton's findings) and represents the final written product of the Carnegie grant.

It is now almost three years since the conclusion of the formal planning implementation project, so it is possible to add some of the revelations of hindsight. These are all the more enlightening given the recent crisis in the Michigan economy and its effects on the evolution of planning activity at the University of Michigan.

Donald C. Lelong was Director of Institutional Research at Michigan from 1967 to 1973 and Director of the Office of Academic Planning and Analysis from 1974 to 1978. Martha M. Hinman joined the office of Institutional Research in 1972 as Research Associate.

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1. PLANNING OVERVIEW

Background

Formal planning at the University of Michigan dates back to the appointment of a new president, in 1968, who was interested in promoting more systematic decision processes for the University. The president established a new vice-presidency charged with developing a planning mechanism, but crises of student unrest during those years, as well as administrative precedents of the University, made introduction of formal planning extremely difficult. The position was vacated in 1970 when the person appointed to it died suddenly. No further initiatives were taken at that time by the administration.

The economic difficulties of the early 1970s hit the State of Michigan harder than other states. In 1970-1971, the governor was forced to exercise his right to withhold budgeted funds from state agencies in order to balance the budget. To meet the unexpected reduction in state support, the University levied a one percent midyear budget cut on all units. In addition, units were asked to prepare for a three percent cut in base budget for the following year. Uncertainty about future funding, the general economic status of the state, and other special circumstances on the U of M campus caused a number of influential faculty to wonder if the administration had an overall plan for the

University's future. The resulting mood of faculty concern led several groups to press for establishment of formal mechanisms for faculty input to planning and budgeting.

In 1972, the president established a Steering Committee and three task committees charged with the responsibility for advising the administration: the Long-Range Planning Committee, the Program Evaluation Committee, and the Budget Priorities Committee. These committees were composed of faculty, students, and administrators. Although the president provided staff support for each group, partly through the Office of Academic Planning and Analysis (OAPA), little other support emanated from top administration. The committees had difficulty putting their charge into operation and defining suitable roles for themselves. They received little encouragement and guidance from the six vice-presidents who were skeptical of the value of the effort, and by late 1973, the planning movement seemed to have floundered a second time.

In 1974, a new Vice-President for Academic Affairs was appointed. As a result of this appointment, several steps were taken that eventually led to a three-phase evaluation and planning project, formally initiated in November 1975. The Academic Affairs Vice-Presidency is central at Michigan, since the incumbent is also chairman of the Committee on Budget Administration. Therefore, the vice-president is also chief budget officer for the University's General Fund.

While this latter role ultimately proved to be crucial, the new vice-president decided to concentrate his planning efforts in his own area of academic affairs rather than to use his status as chairman of the Budget Administration Committee to initiate planning for the entire University. Using the Office of Academic Planning and Analysis for staff support, the vice-president invited the Program Evaluation Committee (set up by the president two years before) to work with OAPA in developing a planning program.

The Evaluation and Planning Project

The Evaluation and Planning Project that emerged included all units reporting to the Vice-President for Academic Affairs. Its three phases were described to the University community in the following terms:

Phase I - Articulation of each unit's objectives and their major operational implications.

Phase II - Evaluation of operations in the light of objectives stated in Phase I.

Phase III - Delineation of directions and alternative courses of action based on the results of Phases I and II.

The Office of Academic Affairs Phase I document of October 1975 stated that the purpose of the project was "to improve the processes by which the University evaluates its activities and programs, establishes priorities, and acquires and allocates its resources." Those designing the effort also anticipated that information derived from the project would assist executive and advisory groups in considering program, staffing, and organizational changes. The intention was to provide an objective and considered information base as a counterbalance to fiscal exigency as decisions about the future were formulated. The longer time frame of the planning effort was to encourage decisions reflecting the more stable priorities of the unit. The link between planning and budget development, while not broken, was not emphasized by the project design. The director of OAPA also hoped that units would not simply seek to do what their budgets would permit, but rather would set goals appropriate to their priorities and allow the allocation decisions to follow from these.

Phase I. In the first phase of the project, all units reporting to Academic Affairs were asked to respond to a 26-item questionnaire (Appendix A). The questions were designed to elicit statements about major program goals for the next five years and changes that would be required to achieve them. To encourage realistic responses, units were told to assume no increase in real resources except those secured from non-General Fund sources. The questionnaires were sent to the units in November 1975. Over the next several months, departments formulated their answers to the 26 questions. Both the methods of responding and the length and substance of the replies varied greatly. In some cases, the department faculty worked as a committee of the whole, while in others the chairperson drafted most of the Phase I report with relatively little input from department faculty. Responses varied in length from several pages to at least one exceeding 60 pages, when reports of approximately 10 pages had been requested.

Departmental responses were synthesized by the dean or director into a college-level response to the 26 questions. Both the college-level response and the departmental responses were then forwarded to the Office of Academic Affairs where they were reviewed by the vice-president, his staff, OAPA, and the Program Evaluation Committee. This proved an extremely time-consuming process because 225 reports had to be read, each one by at least three people. Members of the Program Evaluation Committee contributed long hours assisting in this effort and summarizing the results. From departmental reports and their corresponding college-level responses, a summary statement of objectives and trends was prepared for each college. This statement and an agenda of questions derived from the review of the Phase I responses formed the basis for a conference between the vice-president, members of his staff, committee members, and the dean and his colleagues. Conferences with the 17 deans reporting to the vice-president were held during the summer of 1976. Each lasted several hours and served to clarify the college's reply. In a few cases, the academic vice-president and dean agreed that some specific implementation actions be taken.

Only the first phase of the Evaluation and Planning Project was implemented as originally designed. The stipulation that all departments had to participate in the process laid a heavy burden of work on all quarters. Some schools, having just completed planning efforts of their own design, objected to the intended second and third phases as described in the Phase I document. Finally, the Program Evaluation Committee decided that its heavy involvement in the review of the Phase I responses was not consistent with its mandated advisory role, and after Phase I it reverted from its operational role to its traditional advisory function.

Phases II and III. These phases were originally planned to build on the objectives statements that emerged from Phase I. The second phase was to be devoted to an analysis of current operations to identify strengths and areas requiring change. During the third phase, concrete plans were to be mapped out for achieving the goals of Phase I and for making adjustments identified in Phase II. These plans would be recorded in memoranda of understanding to be developed jointly by the colleges and the Office of Academic Affairs. A major feature of this design was the proposed linking of program evaluation to the decision-making cycle.

In the fall of 1976, OAPA proposed a revised design for Phases II and III. This new design was implemented in January 1977. The changes responded to objections raised during Phase I by tailoring some aspects of the process to the differing needs of individual schools and colleges. Evaluations were scheduled over a five-year cycle instead of concentrated in the Phase II year, and the new design incorporated elements of the third phase into the second year. A chronology of major planning events is listed in Table 1, and in Table 2 a brief analysis of the major planning elements and activities is given.

Phase I activities began with the appointment of coordinators in each school or college to work with OAPA in developing the design of the memorandum of understanding and supporting documentation. Information was requested in a few key decision areas where planning information was most needed. Preliminary enrollment targets were requested for each of three budgetary assumptioms: constant real resources, a ten percent increase, and a ten percent increase in real resources. Schools and colleges were also asked to submit objectives for their academic service units (such as admissions and counseling) and to prepare a projected program and schedule for evaluations to be undertaken over the ensuing five years.

Since the new design was introduced in midstream, and the products of the new design were less distinct than those of Phase I, no special conferences between the vice-president and deans were scheduled beyond the regular annaul budget reviews. These were expanded to include a planning emphsis, however, and were redesignated "planning-budget" conferences. The second year of the project flowed seamlessly into the third. During the summer of 1977, draft

TABLE 1

Chronology of Planning Events

Year	Event
1968	Vice-Presidency for State Relations and Planning created.
1970	Vice-Presidency vacated.
1972	Steering Committee and three task committees appointed: long-range planning, budget priorities, program evaluation.
1974	Evaluation and Planning Project designed.
1975	Phase I, on goals and objectives, implemented.
1976	Phase I conferences held with each college dean. Evaluation and Planning Project design revised. Revised Phases II/III implemented.
1977	Phase II evaluation schedules, enrollment and staffing projections completed (for most colleges).
1978	Phase III planning memoranda of understanding completed for all colleges. Revenue and Expenditure modeling employed. Budget Priorities Fund implemented. Annual budget preparation cycle revised. Formal Evaluation and Planning Project phased out.
1979	Interim Vice-President for Academic Affairs appointed for one year. Three-year contingency plan for budget reductions designed.
1980	Midyear reduction in current State appropriation to the University, exceeding University's "worst case" scenario.
1981	Executive officer planning retreats held. Renewed emphasis on university-level planning for selected critical issues.

TABLE 2

ANALYSIS OF PLANNING ELEMENTS AND ACTIVITIES

Planning Element/Activity	Time Frame	Penetration Into Organization	Organizational Scope	Flexibility
Annual Planning-Budget Conferences	One budget year	Aggregate University financial trends; general review of programs, staffing, and new proposals; and specific financial agreements with major units.	Schools/colleges and major units on unrestricted funds reporting to Vice-President for Academic Affairs.	Stable structure, changing content, agendas individually prepared. Stable format for background information.
Three-Phase Evaluation and Planning Project				
Phase I: Goals and Objectives Statements	Five years ahead	Major program goals, changes, and trends affecting unit future.	All separately budgeted units reporting to Academic Affairs. Aggregated to major unit level for presentation to vice-president.	One-time event, with evolution anticipated for later repetition.
Phase II/III: Enrollment Targets	Five years ahead	School/college headcounts by term, year, and fee category.	School/college and major unit aggregates.	Stable structure and content.
Evaluation Programs	Five years ahead	Individual program and organizational unit.	School/college and major unit summaries.	Stable structure and content.
Memoranda of Understanding	Three years ahead, revised annually	Planned changes and general agreements for major programs, staffing, and organizational structure.	School/college and major unit aggregates.	Stable structure, changing content.
Financial Planning Activities				
Priority Fund Program	One- to three-year commitments	School/college and major unit budget deductions, individually negotiated allocations.	All major units on unrestricted funds, at school/college level in Academic Affairs, vice-presidential level in other areas.	Standard format, changing allocation recommendations.
Revenue and Expenditure	Five years ahead	Aggregate trends for major revenue and expense categories.	Ann Arbor campus only.	Stable format repeated once.
Summer Budget Meetings	Five-year trends	All-University aggregate financial trends and major budget priorities.	Ann Arbor campus only.	One-time event. Evolving format for future repetitions.

planning memoranda were prepared by OAPA staff. These memoranda covered the same topic areas as the Phase I questionnaires: instructional programs, students, staff, research, inter-unit relations, facilities and support staff, and budget. The summaries of the Phase I statements, the program and schedule of evaluation, and a brief set of tables were attached as appendices. The drafts were reviewed first by the vice-president and then by the dean and his staff. The memoranda were used, along with other data, as a framework for discussion during the annual budget conferences in the spring of 1978. Following the conferences, final revisions of the memoranda were planned to reflect adjustments that had been made during the conferences (hypothetical memorandum in Appendix B).

These documents were intended to serve four purposes: a record of decisions regarding future plans for the schools, a three-year framework for further planning, a plan of action for evaluation, and an information base for University-wide planning. More precisely, these four purposes reflected the hopes of the planning staff.

In February 1977, however, the vice-president announced his decision to accept the presidency of another university. Progress on revisions in planning was temporarily halted until a new vice-president was named and the preferences of that person could be discerned. The new vice-president was a Michigan faculty member who had participated in early stages of planning as chairman of the Budget Priorities Committee. An economist, this new man was particularly interested in resource planning. Although he continued with the Evaluation and Planning Project in its revised form, requesting all deans to complete their memoranda of understanding, he began slowly to place even more stress on budgetary planning mechanisms. Ideas that had been proposed and abandoned when the planning effort was just getting underway were revised by the new vice-president as he and the planning staff began to work toward another major revision in the planning model for the University.

The completion of the memoranda represented a form of closure to the Evaluation and Planning Project. Although at the outset of the project the planning staff regarded this as the first round of an ongoing cycle of planning, subsequent experience revealed that the design did not mesh with the needs of the University. The project came to be regarded as a transitional period during which the University developed information and some processes that would be folded into a more flexible planning system.

Beyond Phase III. The new system emerged as a collection of loosely connected activities, not a single program with a high profile of recognition. Rather than looking to paper documents such as the memorandum of understanding to force the link between planning, budgeting, and evaluation, the new approach emphasized timing and coordination of activities, people, and information. There was no attempt to create new information bases, such as had occurred during the transitional period. Instead, the planning staff made greater use of information already available, and focused on presenting this information in a form that made it accessible to the resource allocation process.

The emerging approach to planning was expressed in a series of activities scheduled during the winter, spring, and summer of 1978, the fourth year of planning effort at Michigan. The first of these was the Budget Priorities Fund Program. This mechanism was designed to provide monies for reallocation to high priority needs and to new programs. It was regarded as especially important in the climate of funding stringency which appeared to be ahead for all higher education. Starting with the budget year 1978-1979, each vice-presidential area, except academic affairs, was assessed one percent of the previous year's General Fund budget. The vice-presidents developed various procedures for responding to the assessment. Within academic affairs, the program was phased in over a three-year period to allow a gradual implementation of budget reductions assigned to instructional accounts. Each dean and director was assessed 1/3 percent the first year, 2/3 percent the second, and 1 percent the third. The funds obtained through this process were reassigned through the annual budgeting process, which included review by the Budget Priorities Committee and the Committee on Budget Administration. Contrary to earlier practice, the allocations were published in the University's news organ after final decisions had been made. Publishing budget allocation decisions was new to the Michigan campus.

The second and third programs emerged in tandem, along with the vice-president's decision to revise the timing of the annual budget cycle. The University had traditionally held the annual planning-budget conferences between the deans and the vice-president in the spring, two to four months prior to the beginning of the new budget year. This timing allowed the meetings to be held after the governor had announced his budget recommendation for the state. By this time, University officials usually had a fairly precise idea of what the coming funding year would be like. The timing had the disadvantage that many decisions had already been made in the schools and colleges before the budget sessions, since the annual academic hiring cycle traditionally begins in the preceding fall.

The new cycle placed the main budget conferences in the fall, with informal follow-up procedures to settle final details in the spring. This new schedule permitted central planning and budget decisions to precede college hiring decisions. While the new budget cycle was being planned by OAPA, the vice-president was also preparing a set of funding priorities for the University, based on his analysis of future financial trends. Staff members in the planning office updated and refined the simple revenue and expenditure model developed in the second year of the planning effort.

The new budget cycle schedule was presented to the University community in two special meetings during the summer of 1978. All deans and vice-presidents were invited to attend. The purpose was primarily informational. The financial future of the University was discussed, and decision makers were alerted to the need for making special budget adjustments. The vice-president presented his proposed strategies for meeting the challenges of the future, including his funding priorities. In some universities, the annual planning and budget cycle begins with a statement from the central administration outlining the overall parameters and funding priorities for the institution as the context within which individual school plans must fit. The special summer meetings in 1978 served in a similar capacity for Michigan.

Table 2 analyzed the various components of the modified Evaluation and Planning Project in terms of their time frames, organizational scope and penetration, and flexibility. Table 3 indicates the major participants in and users of the different planning activities that developed over the four years of planning effort. Central to the entire endeavor, from beginning to end, was the annual budget allocation process which had been in operation for many years. Initially, planning was conceived as an effort separate and distinct from the regular budgeting procedure. It was linked to the allocation process by means of paper products that

TABLE 3

Participation in Planning

Planning Element/Activity	Initiation and Timing	Development and Coordination	Review, Consultation, and Approval	Primary User(s)
Annual Planning-Budget Conferences	Part of annual budget cycle.	Vice-President for Academic Affairs and staff, Office of Academic Planning and Analysis.	Recommendations of central budget staff, after consultation and negotiation with deans and directors. Reviewed by Budget Priorities Committee and approved by Committee on Budget Administration.	All parties in the General Fund budget process.
Three-Phase Evaluation and Planning Project				
Phase I: Goals & Objective Statements	One time event, main focus of Phase I, 1975-1976.	Questionnaire developed by Program Evaluation Committee and Office of Academic Planning and Analysis.	Reviewed by deans and Executive Committees of colleges. School/college responses reviewed by Vice-President for Academic Affairs, his staff, Program Evaluation Committee reading team.	Deans, department heads, vice-president.
Phases II/III: Enrollment Targets	Part of Phase II, fall 1976; repeated annually as preparation for budget conference.	Forms developed by Office of Academic Planning and Analysis. Targets prepared by deans.	Reviewed by Vice-President for Academic Affairs in annual budget conferences.	Central budget staff.
Evaluation Programs	One time event as part of Phase II, fall 1976.	Forms developed by Office of Academic Planning and Analysis. Plans prepared by deans.	Not formally reviewed,	---------
Memoranda of Understanding	One time event, conclusion of Evaluation and Planning Project, 1977-1978.	Format developed by Office of Academic Planning and Analysis. Responses prepared by school/college leadership.	Reviewed by Vice-President for Academic Affairs during annual budget conferences. Approved upon negotiation and revision of agreements.	Deans, directors, vice-president, and central budget staff.

TABLE 3 (continued)

Planning Element/Activity	Initiation and Training	Development and Coordination	Review, Consultation, and Approval	Primary User(s)
Financial Planning Activities				
Priority Fund Program	Discussed during early phases of Evaluation and Planning Project by Academic Affairs staff. Developed in fall 1977 by Vice-President for Academic Affairs and coordinated by his staff.		Allocation recommendations of central budget staff reviewed by Budget Priorities Committee and approved by Committee on Budget Administration.	All parties in the General Fund budget process.
Revenue & Expenditure	Informal activity of central budget staff, Office of Academic Planning and Analysis in 1976. Single repetition in 1978.		In 1976, reviewed by vice-president and selected deans. In 1978, reviewed by Vice-President for Academic Affairs, then by all deans, directors of major units, and vice-presidents.	Central budget staff; all parties in the General Fund budget process.
Summer Budget Meetings	One time event held by Vice-President for Academic Affairs, his staff, Office of Academic Planning and Analysis in summer 1978.		Consultation and educational meeting -- vice-presidents and deans.	

were reviewed during the budget discussions. The scope of these products was large, however, and the information very detailed. Integration was thus difficult to achieve. Over time, the planning effort was slowly absorbed into the regular cycle of decision making. As this happened, planning lost its separate identity. It did not, however, lose its influence.

The planning staff always intended to conduct an evaluation of the effectiveness of planning at the conclusion of the project. But given the manner in which the planning effort evolved over time, it was difficult to determine a point at which the implementation project itself could be said to have ended. In the fall of 1978, the planning staff contracted with an outside consulting firm to interview 38 key participants in the project for their views about the outcomes of the project.

The general reaction to the project was mildly positive, but not enthusiastically so. Opinions varied depending on whether the respondents were located in the Office of Academic Affairs or in the schools and colleges. The rating was generally higher among central administrators than deans. Most respondents saw positive impacts in the areas that were targeted as purposes for the planning effort. Evaluation was more systematically and extensively practiced. Definite improvements were seen in the methods for allocating resources and planning for the future. Most of these changes were expected to persist, whether or not the specific activities that brought them about did.

Responses to an earlier survey conducted by the same consulting firm at the conclusion of Phase I indicated two specific benefits that also appeared at the end. First, the amount and quality of communication between the Office of Academic Affairs and the schools and colleges had increased. Second, attitudes among deans and their faculties had changed. The University community had come to recognize, as a result of participation in the first phase, that business would not go on as usual and that more careful planning would have to take place in the future.

1978 to Date

Three years have passed since the last consultants' evaluation of planning at Michigan. During these years, planning has continued to be a priority among University officials. The approach taken, however, has continued to change. A number of unanticipated events have influenced planning, primarily because they were not foreseen in setting earlier planning parameters. These events have included changes in key administrative personnel and a major downturn in the economy. The latter has hit Michigan particularly hard.

The summary of college-level objectives and trends, developed as the culmination of Phase I, is the only planning instrument that continues in its original form. It is reviewed annually during the planning-budget conferences, and updated regularly to reflect new plans and trends.

The Priority Fund Program and the new budget cycle both remained in force after the formal planning project concluded.

But in the spring of 1980, as planning for the third year of the Priority Fund developed, economic pressures were intensifying. As a result, the monies gained from the third year's levy of one percent on salary accounts were assigned to provide salary support for University staff rather than support program needs. Commitments made during the first two years were honored, however.

Enrollment projections made by the deans in 1978 extended to 1981. These were reviewed in the annual conference between deans and vice-president, but they were not updated or extended. The process reverted to short-term forecasting by the admissions and registrar's offices. The memoranda of understanding have not been updated and their use has been discontinued (or replaced by the less lengthy, less formal "summary of objectives and trends").

Personnel changes have continued to play a significant role in the evolution of planning for the U of M. The director of the Office of Academic Planning and Analysis resigned in the fall of 1978 to accept a position at another university. In the summer of 1979, the Vice-President of Academic Affairs was selected to become president of the University. He left the vice-presidency in November and was replaced by an acting vice-president. The new "permanent" vice-president assumed office in the summer of 1980. These changes and associated uncertainties mitigated against any major change in the planning activity during 1979-1980.

With the third new academic vice-president since 1973, the third rejuvenation of planning activity commenced. An Associate Vice-President for Analysis and Planning was appointed in the Office of Academic Affairs. The appointment reflected renewed recognition that planning would be an important component of the administrative activities of the office. At the same time, budget planning was extended beyond the one-year horizon which, except for the Priority Fund, had previously characterized budget preparation. The new procedures also included a number of contingency plans for different allocations from the state. A three-year plan of reductions was designed to cover the years from 1980-1981 through 1982-1983. Subsequent economic pressures in the state forced alterations in the budget plans, but the longer planning horizon remained unchanged.

The academic year 1980-1981 brought many different economic challenges for the University and for the State of Michigan. The governor was forced to rescind a portion of the state's allocation in December 1980, after having given the University a zero percent increase for the year. This rescission left the University five percent below its worst case expectation from the previous spring's budget planning. The immediate crisis was met with across-the-board cuts to all University departments and with delayed expenditures for some capital and maintenance projects. Larger across-the-board cuts were scheduled for the next budget year, and a review of all non-academic units (to identify areas for major cuts) was undertaken.

Experience with this crisis reinforced the belief among University administrators that renewed effort to achieve a more coordinated approach to planning was needed. The outlines of this latest approach to university-level planning are beginning to emerge. The design work is still in process, yet certain basic characteristics are already visible.

The planning year was initiated with a two-day retreat for the executive officers of the University. The purpose of the retreat was to review the spectrum of issues that needed attention in the coming year, and to set the agenda for planning in the coming months. The executive officers will continue their planning discussion throughout the year.

The planning climate is shifting. Rather than approaching planning with a single system, the administration has adopted a "manage by exception" stance. Attention will be directed to those units most in need of depth review, and to important issues such as the relationship between the two branch campuses and the main campus. In addition, streams of related planning issues will be coordinated. An example of the latter is the proposed approach to enrollment planning, which ties together projections about the size of the student body, tuition planning, and financial aid policy development. Other characteristics of the new mood include paying more attention to external trends affecting the University's welfare, and readiness to engage the University community in debating relevant future issues.

The path from the University's first steps toward coordinated planning systems in 1972 to the planning orientation now beginning to take shape has been long, arduous, and circuitous. It is now possible to separate the various events and forces into clear causes and effects. Each fed into the next, making some new activities possible and foreclosing others. The high profile project of 1974 through 1978 raised campus awareness of the needs. New leadership redirected the focus of planning to the budget. Economic stresses underlined the need, and new technology facilitated analysis and the consideration of alternatives. The planning efforts of the University are moving ahead in yet another new form, after the transitions of the past several years.

2. PROBLEMS OF IMPLEMENTATION

From a distance, the stages in development of a planning program are quite easily understood. Each stage can be evaluated in terms of what preceded and what followed. In process, however, the important turning points do not carry large road signs, nor are the preferred routes always obvious. This chapter discusses implementation of formal planning activity with the advantage of hindsight. Michigan's experiences are unique and will never be repeated in the same form or sequence at other institutions. Yet the underlying forces are shared by most institutions with diverse constituencies and complex organizational structures. The precise details may differ, but the basic themes they represent can be expected to occur elsewhere.

Influence of Initial Conditions

The planning effort was set in motion by a gradual convergence of several different forces. Each of these had been promoting planning alone, but with little success. The merging of interests in the fall of 1974 created an environment in which the planning seed could take root. The most important force was the appointment of a new Vice-President of Academic Affairs. Shortly after being appointed, the vice-president arranged to have the institutional research office moved to Academic Affairs and renamed the Office of Academic Planning and Analysis (OAPA). The director of OAPA was a known advocate of systematic planning. The move signified the commitment of the director and the vice-president to work toward improved decision-making procedures.

As an institutional research office, OAPA had provided staff support to the Office of Budgets and Planning, which had been established by the president of the University in 1972 in response to faculty demands. The Office was a "paper office" with a steering group and three task committees comprised mainly of faculty, with student and administration representatives. The committees were charged with advising the president on long-range planning, budget priorities, and program evaluation. They had been studying various means of promoting planning, evaluation, and budgeting processes since 1972. The Budget Priorities Committee had managed some success in its efforts, but the other two had found little encouragement from the administration. The two task committees on planning and evaluation did not have a clear image of what "planning" would look like on the Ann Arbor campus, if it were to exist. The motivation to plan appeared to derive more from anxiety about what would happen in the future if faculty were not involved in decision making than from a positive vision of the benefits that might accrue from more systematic decision processes. Committee members were becoming discouraged by the spring of 1974. Staff members in the central administration, although actively promoting the cause of planning during this period, also had not succeeded. Despite the many voices in favor, the majority of the key decision-makers (deans and vice-presidents) were not sufficiently convinced of the value of more systematic planning to encourage the work of either the two committees or interested staff.

In the fall of 1974, the chair of the Program Evaluation Committee fell to a faculty member of considerable stature on campus. His appointment, together with the changes in the Office of Academic Affairs, revived faculty concern about planning. The new vice-president invited the Program Evaluation Committee to work with his staff in developing a planning program within the academic affairs area. At first, the committee was skeptical, remembering its past experiences with administrative officers. Nonetheless, the invitation represented an opportunity to further the cause, and the committee accepted. The acceptance forged a planning group consisting of a faculty advisory committee, a staff office within the vice-president's area, and the vice-president himself.

Although a significant economic recession heralded harder years ahead in the fall of 1974, no major crisis precipitated the planning effort. It was set in motion because of the interest of the top administrator in Academic Affairs and the presence of a strategically placed staff assistant, the director of OAPA. The well-intentioned efforts of support staff or of the faculty alone were not sufficient to initiate the program without advocacy by an executive officer.

The circumstances surrounding the initiation of this effort had the advantage of time for the team to think carefully about strategy and to bring campus constituents into the process of development. The circumstances had the disadvantage, however, that no sense of urgency pushed the program forward. Constituents were able to explore their anxieties about planning and its implication. Although no major resistance developed, neither was support for the effort notably strong. A tentative wait-and-see stance was adopted by most deans and department heads.

Clarification of Expectations

The beginning stage in any planning program represents a difficult set of choices. Designers face a clear slate and an array of confusing alliances, decision processes, and theories out of which the planning strategy must emerge. To get the program underway, it is necessary to determine which of the many possibilities will be most suitable and which objectives take priority. Since the number of choices to be made and the complexity of the interrelationships was extraordinary, the design process is influenced by many seemingly irrelevant factors. It does not unfold as a rational, stepwise consideration of issues because the options far exceed the capacity of human beings to anaylze and synthesize them. The pieces that come together originate from disparate sources. The challenge to those who are responsible for creating a planning model is to make sense out of confusion by clarifying the emergent image and developing a precise set of expectations for what the program will contribute to whom, where in the organization, and how. The task is easy to state, but difficult to undertake.

At Michigan, the gross profile of the planning design fell into place quickly as a three-phase effort (described in Chapter 1), resembling the formal/rational planning model in the literature (Peterson, 1980). Despite the similarity of this design to the classic models, it was the product of considerable negotiation between the vice-president and the Program Evaluation Committee. The strategy which evolved represented a compromise between the committee's interests and the vice-president's needs. From the beginning, the committee had been thinking about evaluation of academic departments and orienting its standards of adequacy to the departmental perspective. An underlying agenda item of the committee was to design an adequate evaluation procedure to support program cutbacks. Because the vice-president was new to the office, he needed information on all the units that had just become his responsibility. As an experienced administrator, he was comfortable with broad categorical information so long as it was comparable across units. Many of the questions raised by the committee were traditionally decided within departments or by deans, and would come to his attention only on an exception basis. The interests of both parties were hard to accommodate in a single design. The vice-president needed coverage of all units and the committee wanted evaluation in depth.

The compromise design satisfied the central interests of both groups: The evaluation process would be subdivided into phases and carried out for all units. This would permit in-depth review while retaining the broad coverage. The subdivision also allowed a new component, future-oriented planning, to be added, which was a concern of the director of OAPA. A logical progression emerged that linked the development of goals to evaluation and to the specification of planning agreements between the vice-president and the units reporting to him.

As the model took shape, the team began to view planning as separate from the existing decision-making processes of the institution. One of the problems occupying considerable design time was how to link the planning cycle to the budget process. The problem exists only when planning has a separate identity; if, instead, planning is accomplished by the addition of activities to existing processes or through their modifications, linkage is less problematic. The team was pushed toward a separate project identity for planning by the image currently in the literature at the time. A second factor was the decision of the OAPA director to seek outside funding. The Carnegie Corporation grant to support research on the planning effort helped to single it out as a separate activity. Once provided with an identifiable profile, the effort began to elaborate in the minds of the team members.

A second piece that contributed to the final design was the general approach to planning propounded by Michael (1973). In a sequence of chapters on the necessity of learning to live with uncertainty and to embrace error, Michael points out the folly of earlier rational planning approaches, which do not allow for participant learning while planning is in process. Michael's open, evolutionary style of planning appealed to the OAPA director, who incorporated it as an ethos for the effort and endeavored to advocate openness and flexibility in the Michigan program.

The design initially de-emphasized the budget as a factor in planning. Dollars were to be drawn in during the third phase when operational plans were prepared, at which point the costs of the plans were to be estimated. The planning team somewhat naively hoped the objectives and evaluations would be based first on criteria other than the availability of resources, and then tailored. Experience with this approach proved its naivete, yet the disinclination of the designers to allow dollar availability to serve as the sole guide to the University's decisions was another of the numerous factors entering into the final three-phase design.

The design was the product of: negotiated compromise between two important elements in the planning group, impressions gleaned from the planning literature of the times, extraneous circumstances such as the decision to apply for

Carnegie support, and values held by the main participants. It answered a general need expressed in many quarters, particularly by the vice-president, for more systematic decision-making processes at the central level of the administration level and for more explicit criteria for decisions.

Notably absent from the early design was any diagnosis of the administrative structure of the institution. The team possessed only a very general image of the stages through which various types of decisions pass before closure. The planning effort was justified with statements about the need to develop more systematic processes, yet there was no concrete analysis of the areas in which problems actually existed. The dual responsibilities of the vice-president, as chief academic officer and as de facto chief budget officer, further confused the question, since the two areas of responsibility were often carried out at the same time. Similarly, the planning team did not examine the specific types of decision problem its model was designed to address. The purposes of the project were in a constant state of flux during the early stages of design as the team labored to bring the pieces of its program into a coherent structure. The various attempts to formulate purposes for the effort were always couched in general terms, as the following examples from a memorandum of that period illustrate:

- More informed preparation for future action due to better communication both vertically among organizational levels and horizontally among organizational units.
- More deliberate, careful thinking about what we are doing.
- Greater participation in policy formulation... at all University levels.
- Greater awareness of the impact of decisions and actions taken.
- Clearer sense of priorities at the department, college, and university levels.
- Clearer understanding of necessary and difficult choices.
- More effective resource acquisition, allocation, and utilization.
- Incorporation of evaluation and planning into the administrative style of all academic units on campus.[1]

The purposes and activities of the planning effort emerged slowly as an interaction between conscious design and the evolutionary influence of other forces, much in the manner described by Michael. Some logical gaps and ambiguities not noticed by the planning group as it formulated the initial model came to light as the proposal was circulated to deans and department heads for comment. Other issues were clarified through vigorous debate between components of the planning group. Chance events also contributed, as did trial and error. The team imagined that its task was nearly done when the first draft of the planning model was ready for presentation to the vice-president in February 1975. Another eight months of work were needed, however, before the effort was launched in late October. This was an important time in the life of the project. During this period, the image of planning was gradually clarified and the campus attuned to the effort.

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[1] Office of Academic Affairs memorandum (April 4, 1975).

One of the most complex issues of the clarification process seemed innocent at first glance. The team regarded it as a slightly sensitive administrative detail, which would eventually be settled. Before it finally was, though, it changed the shape of the planning model, altered the role of the Program Evaluation Committee, and nearly caused the entire planning effort to be aborted. The issue revolved around the Program Evaluation Committee's insistence on the participation of all academic departments in the planning process. The vice-president felt that the nature of departmental involvement should be internal to each college, but he agreed to central review of departmental plans on the condition that the Program Evaluation Committee would assist his staff in reviewing the reports. Since this meant departing from the advisory role the committee had assumed, it was reluctant to agree. After some discussion, the committee accepted the offer because it was convinced that the vice-president and his staff should be as well-informed as possible about departmental issues and aspirations. The deans expressed a counter-concern. They wanted to be assured that the vice-president did not intend to move toward greater centralization of decision making. The vice-president responded with an unequivocal denial in the memorandum, which accompanied the next draft of the goals questionnaire: "The assumption here is that... the Office of Academic Affairs...does not wish to play any role in departmental management and unit evaluations, both of which must continue to represent the responsibility of the schools and colleges."[2] Agreement on the unit level responses was not struck until the following summer when the Program Evaluation Committee chair asked to meet with the vice-president. At that meeting, the vice-president agreed that unit reports would be forwarded to Academic Affairs, but he insisted that he would meet only with deans and that current organizational lines would be respected during the review. The committee's concern that issues important at the departmental level would be obscured by the college administration was met by a set of guidelines for the preparation of college syntheses and a new question in the Phase I instrument regarding alternative organizational arrangements.

The problem rested quietly through the launching of Phase I, but emerged again as the Program Evaluation Committee and OAPA staff devised a review process for some 225 responses that would soon be arriving. By this time, the wait-and-see stance that had been adopted by most campus constituents had evolved into a more negative one. Complaints about the amount of work and questions about the utility of results were cropping up across campus. These reinforced the vice-president's original doubts about the planning design and he asked the director of OAPA to give the project a lower profile. Just after this request, the planning team, which had been working on a review process for Phase I, proposed an elaborate system involving reading responses first by disciplinary affinity groupings and then by organizational lines. The vice-president was shocked. He did not understand how such a system could be suggested after his request for a low profile and the previous summer's agreements. The encounter caused serious soul-searching on his part regarding the nature of the project, the participation of the Program Evaluation Committee, and the role of OAPA. He considered aborting the whole program but rejected that solution in favor of continuing with a somewhat modified process.

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[2] Memorandum to Deans' Council (April 25, 1975).

After considerable discussion with his own staff, the vice-president asked several of them, including the OAPA director, to recommend modifications in Phases II and III that would both simplify and accelerate those phases. This request led ultimately to a new role for the Program Evaluation Committee, which had come to view the vice-president's support of the original design as an index of his commitment to "real planning." The committee chair's term expired, and he was succeeded by two other members of the committee as co-chairpersons. Events the following fall finally caused the committee to withdraw from direct involvement in planning, and to return to its earlier advisory role. As the Office of Academic Affairs staff, OAPA, and members of the Program Evaluation Committee read the 225 responses to the Phase I questionnaires, it became clear that the information could not possibly support the kind of decisions envisioned by the committee, and that even an elaborate reading program, like the original design, would not have compensated for the unevenness in the responses.

The issue itself, whether department-level responses would be read by Academic Affairs staff and the Program Evaluation Committee, was small, but it was symptomatic of very important questions about the role and purpose of the planning effort. These came to light gradually, each time forcing a more precise definition of the planning process. The disagreement between the vice-president and the Program Evaluation Committee derived from differing images of the purposes. It was intensified by a faculty committee's traditional distrust of "the administration." It was further confused by a lack of understanding in the entire planning group of the type of decision that could be beneficially affected by a planning process, given

Michigan's existing norms of decision making.

Two other events helped bring clarity to the image of planning at the time when Phase I was launched. Several deans were concerned about the confidentiality of the reports they were about to write. The Program Evaluation Committee and the OAPA Director both advocated openness in the process, and it was stipulated that all college-level responses would be made available to interested readers. Deans were looking ahead to hard times in 1975, since a cut in the State allocation had just been announced. The query about confidentiality reflected their uncertainty about the level of openness that was expected. No dean wanted to identify publicly a candidate program for discontinuance if the eventual cut might not be necessary. Thus, the constraint favoring public responses influenced the level of detail that was included.

The second event was a speech to the campus by the president of the University regarding the need to cut back graduate enrollments, due to projected national surpluses of Ph.D.'s. The speech was delivered just prior to the launching of Phase I. It stimulated lively debate among the faculty. Further investigation of the University's policies on this question was assigned to a special review committee, a decision that disturbed the Program Evaluation Committee. Before this event, committee members had implicitly assumed that programmatic policy issues should be considered within the planning cycle. Now it became clear that the cycle, as originally designed, was not agile enough to deal with special issues in a timely way.

Not only were expectations for the planning project originally stated quite imprecisely, but they were also more grandiose than realistic. The vice-president and the Program Evaluation Committee held quite different perceptions of the planning process. Because there never was a period at the beginning during which the problems to be addressed were diagnosed in concrete detail and because no contract was struck regarding the anticipated outcomes of the effort, the disparity in expectations continued to confound the process. The OAPA Director came to recognize the disparity, but was not able to bring about a resolution of it. Instead, time, consultation with constituents, conflicts, chance events, and simple trail and error provided the instruction that led eventually to a clarification of the issues. By the time of the design's revision at the end of Phase I, implicit expectations had become explicit and the planning group understood far better the unique circumstances of the Michigan setting. The revision exhibited the learning that had taken place during the initial one-and-a-half years.

Participation Issues

Participation, one of the key questions a planning group must consider, has several aspects. Who participates is influenced partially by the expertise needed and the skills possessed, and partially by the constituent groups requiring representation. What the participants do is influenced by the roles assigned to them, within both the planning activity and the organization, and by their willingness to go along with what is expected. All of these factors must be related to the institutional context and to the purposes of the planning effort.

The Program Evaluation Committee at Michigan regarded greater faculty participation in decision-making and planning as one of its important objectives. This objective was part of its mandate, which had been established originally as a result of faculty unrest over a perceived lack of representation in the budgetary decisions of the central administration. In an institution as diverse as Michigan, faculty influence over substantive decisions is traditionally exercised at the department and school/college level. At the central administrative level, faculty influence tends to focus more on procedural questions. Recognizing this, the committee concentrated initially on influencing the planning design and assuring a place for faculty in the departmental and college planning activities. The committee would have preferred to have faculty participation mandated by the vice-president, but failing this the committee publicized the process widely to be certain that faculty were aware of the opportunity. Faculty participation was encouraged but not mandated.

The chair of the Program Evaluation Committee became one of the major advocates of the process on campus. Speaking for the group, he presented the planning model to the vice-president and his staff after it had been developed, and to deans and other faculty groups at several different meetings. Campus opinion was not universally in favor of planning; many faculty members doubted the utility of the high profile effort that was being proposed. It was a formidable challenge, but the chairperson argued effectively for the program that had been designed. At these meetings, the vice-president typically stepped aside, allowing the chair and the OAPA Director to do most of the talking. Although the chair's personal stature and conviction helped to legitimize the program, the vice-president's role on these occasions had the unfortunate side effect that some constituents questioned whether he was fully behind the program or supporting it in name only.

The Program Evaluation Committee worried about the same question. Their concern triggered some of the heat surrounding the decision to include departments in the process. The new role, which the committee accepted when it agreed to assist the vice-president and his staff in reading the responses, compromised the committee's earlier stance of remaining clear of direct involvement in administrative decisions. Some members feared co-optation by an administration looking for a scapegoat for "hard decisions." Although differential budget cuts based on clear priorities was one of the stated goals of the planning process, committee members did not want to be in a position where their recommendations could be used as the defending rationale. The dividing line between advisory status and de facto responsibility for decisions is fragile and bears careful monitoring. When the new role was accepted some members thought the committee was crossing the borderline between advice and co-optation. As the process unfolded, these fears proved to be unfounded. Few major decisions were taken as the direct product of the planning activities, because the output of Phase I was not sufficiently robust and explicit to support them.

The heavy involvement of the committee in the design and review of unit goals and objectives had a decidedly positive effect on the faculty participants. Members of the committee devoted many hours to the project. Their involvement also increased their commitment to the product they had designed. Despite the high commitment and willingly donated time, it became clear that meaningful faculty participation in the processes surrounding academic policy formulation and budget allocation at the central level is difficult to achieve. Faculty from the Program Evaluation Committee and the Long-Range Planning Committee were assigned to reading groups to review the responses of departments and colleges to the Phase I questionnaire and to develop agendas for the follow-up conferences between the deans and the vice-president. Even with enthusiastic and diligent devotion to the task, these reading groups had difficulty identifying significant issues. Some of the issues they selected were problems that had been resolved during the four-month interval between the preparation of the responses and the conferences. Others were tired themes traditionally intoned on such occasions; still others were unresolvable "worm cans" that had defied earlier efforts to untangle them.

Committee members were not sufficiently familiar with the issues in schools other than their own to be able to separate chaff from kernel. Many very important academic principles come dressed as administrative trivia; the information base needed for identifying the important issues is acquired by constant contact with the decisions. The faculty readers looked to the vice-president and his staff for guidance. An awkward uncertainty developed during agenda preparation sessions as the vice-president encouraged faculty to state their views and the faculty depended on the vice-president for leadership in identifying substantive issues. The advisory role had been clearly defined in this process, but the faculty participants were not able to contribute meaningfully due to their lack of constant contact.

While faculty participation at the central level proved difficult, it was more easily accomplished within the individual departments and schools. The publicity strategy of the Program Evaluation Committee was effective: Faculty awareness of the project was extensive. The Faculty Senate's executive arm endorsed the project and urged participation. Doubts about the utility of the effort were widespread before it was launched, yet the stance adopted by a majority of the faculty and deans was to give it a good-faith trial. Participation was generally high and the responses gave evidence of thoughtful consideration. The form of faculty participation varied from unit to unit, depending a great deal on the administrative style of the dean or department head. In some units, the leader wrote the response quickly and forwarded it without further faculty review, while in others responses were referred to executive committees for review or, in some, even for writing. The single model of faculty participation imagined by the planning group proved naive. It did not take into account the multiplicity of administrative styles and stages of development of the 225 units responding.

In the case of deans and department heads, on the other hand, the chief participation question was their willingness to go along with what was expected of them, and the authenticity of their cooperation. A major objective of the planning project was to strengthen the quality of decision making both within the Office of Academic Affairs and at the college level. Deans and department heads were included as targets of this objective, but it could not be accomplished unless the relevant decision makers were willing to develop and use the output of the planning activities.

The planning group attempted to influence the level of cooperation exhibited by administrators by arousing faculty interest in the project and by stressing the manner in which Phase I responses would be used in subsequent planning phases. In the deliberations preceding the launching of Phase I, the questions of deans and department heads appeared to focus around two issues. First, what would the planning project bring in terms of new alignments of responsibility for decisions (i.e., would the traditional control these administrators had over their units be threatened from above)? Second, what kind of payoff could be expected as a result of cooperating? The vice-president stressed early in the process that no changes in decision-making norms were anticipated. While this reassured many, it also caused people to wonder whether the outcomes of the project could be meaningful if no changes in decision-making norms were anticipated. There was no satisfactory answer to this nexus of questions. The planning group stressed better decision processes, explicit priorities, evaluation criteria and similar benefits as the payoffs to be expected. Deans, in response, asked how the planning output would be linked to budget decisions. Several indicated that the work would be worth it if the results were to be used in budget allocations.

Deans and department heads cooperated in Phase I. Virtually all units handed in responses with no major delays. Yet the cooperation was cautious. Only a few schools decided to follow the complete recommended process, asking faculty to develop, revise, and vote on the goals statements. In schools that had recently completed or were still involved in their own planning processes, the level of cooperation was less pronounced. One associate dean put together a two-page reply reflecting few of the responses given by departments in his college. Those colleges that did involve faculty indicated (in a brief survey conducted just after the responses were completed) much greater satisfaction with the results than the schools that did not. Variations in the degree and form of cooperation with the process led to varied results. For some, results were regarded as definitely worth the substantial faculty involvement; in one school--threatened by declining enrollments and the necessity of revising its program--the process intensified the internecine conflict.

Representation, role, and willingness to cooperate were the three main participation issues addressed by the Program Evaluation Committee. These issues related to their two main objectives for the project: increased faculty participation in decision making and strengthened decision processes. In thinking about the issues, this group assumed a more uniform set of conditions among participating units than actually existed. Variations in participation, roles, and the outcomes of the process derived from varying conditions in the 225 responding units. Had these been better understood, as they were in later phases, the approach to unit participation might have been more flexible from the outset.

Operational Problems

Moving a planned design out of the discussion stage into operation is a complex process. Some of the questions to be addressed are relatively elaborate, while others are so plain and homely that they are easily overlooked. Like the proverbial cockroach in the computer, which was the origin of "debugging a program," the factors that come into play cannot always be anticipated. Five operational problems can be identified from the Michigan experience and confirmed in other case studies (Poulton, 1980): shortcomings in the planning design, compromise, communication, underestimating actual achievements, and timing. While the earlier sections of this chapter deal with issues on the borderline between design and implementation, this section looks at issues arising over time as the planning program is made operational.

Shortcomings of the Design

Problems with the design of process components occur either because of gaps in the logic of the original design or because time and shifts in other components bring about dislocations in the plans, once in operation. The Michigan planning effort ran into problems of both kinds. Gaps in the design logic do not ordinarily become apparent until the activity is already in operation. The Phase II memorandum of understanding illustrates how this can happen. In theory, it makes sense to conclude a planning cycle with a written agreement stating the mutual understanding of a dean and vice-president regarding guidelines for future actions. This type of document was particularly necessary at Michigan, where agreements were not always carefully recorded. Difficulties arose first as the planning staff tried to define the level of agreement to be included. Having experienced the diversity of responses to the Phase I exercise, where few guidelines were provided regarding the types of goals to be stated, the OAPA staff decided to prepare the first draft of the memorandum and to ask the dean to revise and add to the draft. The staff suffered from the same lack of familiarity with the current issues that the Phase I readers experienced. The OAPA Director revised the draft statements in collaboration with each dean prior to the budget conference that year. He had intended that staff work out the routine issues ahead of time so that the budget meetings might focus on key points, but there were few routine issues of sufficient significance to be included. Some deans wanted to include negotiable items in the agreement to force discussion during the budget conference. Others wanted descriptions about the state of affairs in their schools or environments as a basis for future negotiations. The vice-president was not prepared to sign off on any agreement prior to the budget conference, since many items the deans wanted in the memoranda were nontrivial commitments. It became clear that the memorandum would have to be updated after the budget conference, yet its originally intended function was to provide "a general framework for discussing General Fund allocations...[and] to serve more broadly as the unofficial but 'understood' position of both Academic Affairs and the School with respect to objectives and operating plans."[3]

Further difficulties arose as the design group tried to specify the processes for periodic updating. When should updating be done, before or after the budget conference? If before, the same problems would occur as happened on the first round; if after, then the document could not serve as a framework for budget discussions. If the dean prepared it unilaterally, it would have to be revised by academic affairs after the conference. Some staff favored viewing the document as a historical record of struck agreements, yet in this guise it would be subject to all the shortcomings of a static plan. Finally, the range, complexity, and variability of issues in the 17 colleges caused the utility of the memorandum to differ from one unit to the next. The smaller colleges with more stable conditions found it more useful than the larger colleges with more variable decision settings.

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[3] Cover memorandum accompanying all memoranda of understanding (January 14, 1978).

Shifts in the design of some elements force shifts in related elements. These can sometimes be easily accommodated, but other times they appear to cause a major dislocation. The planning team thought the latter would happen to Phase I conferences after the vice-president moved to a lower profile for the project. Originally the conferences were to signal agreement on the goals and objectives of each college. The next two phases of the effort were to build on the agreement forged during the conference. The vice-president preferred that the conferences be used for an exchange of views and clarification of points mentioned in the Phase I responses, without formal closure on content. Program Evaluation Committee members viewed this initially as a reduced commitment to the process, and thought that the teeth had been removed from the first phase. Subsequent recognition of the unevenness of the unit reports, together with the humbling reading experience, showed that the revised function for these conferences was quite appropriate. It was, in fact, a more significant function than committee members originally expected. The value of an increase in the breadth and accuracy of communication between faculty, deans, and the Office of Academic Affairs was not adequately recognized until it happened.

A second activity that experienced major revision was the evaluation component of the project. Originally, every unit was to conduct a self-evaluation of its strengths and weakness in light of the objectives stated during Phase I. The planning group prepared an instrument to guide the evaluation, roughly corresponding to the topic areas used in the first phase. When the reaction to Phase I forced a rethinking of Phases II and III, the uniform set of evaluation procedures was abandoned in favor of a more flexible approach. The group decided that it was more important for units to accept the principle of evaluation as a routine component of administration than it was to stipulate a tight format and cycle of evaluations. Therefore, the expectation was established that units should be evaluated approximately every five years. A form for describing the evaluation program and schedule for all the departments in each school was developed. This form was then incorporated as an appendix to the memorandum of understanding, constituting one of the areas of agreement. The vice-president underscored his commitment to evaluation by announcing via the medium of the memorandum that the Office of Academic Affairs was prepared to pay for part of the costs of external evaluators. Even though the memorandum was not so effective as a mechanism for structuring the planning-budgeting discussions, it did prove useful as a record of future-oriented decisions.

Compromise. Successful implementation of planning involves engaging the attention and cooperation of the key participants. The person assigned the responsibility of directing the planning effort must continually balance the long-term objective of mounting a program that will actually be used by decision makers against the shorter-term objective of implementing specific components as designed. At times it is necessary to compromise on important design questions to achieve the even more important continued existence of the project. Specific components can be repaired later as long as the project is still operating.

At Michigan, the planning group found that compromises were necessary on several occasions. Some of these touched on matters of process design, where it was clear from the literature on planning that the compromise would lead to trouble later. The initial planning model negotiated by the vice-president and the Program Evaluation Committee is one example of such compromise. Had the departments not been included in the process, the committee might have refused to continue working on the project. Such a refusal could have led to subsequent trouble in relations with the faculty. The OAPA Director and the vice-president felt that continued committee participation was extremely important, and they compromised in spite of the fact that the vice-president did not like the way academic departments were handled in the design.

On the question of developing University-wide goals as the first activity in Phase I, the committee compromised in favor of the vice-president. The project was designed finally as a bottom-up approach: Department goals were to be synthesized at the school-college level, and school-college goals were to be synthesized at the vice-presidential level. The question of University-wide goals had been a difficult point. Most formal/rational planning begins with the development of the institutional mission and goals as the frame within which the subunits prepare plans, and the OAPA Director had attempted on a number of occasions to obtain a statement of this sort from the vice-president and the Office of Academic Affairs staff. The vice-president and most of his staff expressed doubts about the utility of generating University-wide goals statements. Mindful of the fact that any statement attributed to an academic vice-president is apt to be treated by the University community as significant regardless of its status, they were hesitant to commit any goals or priorities to paper. Even though the statement would have been advertised as tentative and subject to change, it was likely not to have been treated that way. The vice-president also felt that for a statement to be general enough to apply to the entire range of activities thriving in the University it would end up appearing trite. He once observed, "If University statements cannot be made operational, at least they should be inspirational."[4] Despite continued efforts on the part of the director to convince the rest of the Academic Affairs staff, the only goal statements emanating from the office were brief introductory statements before each group of questions in the Phase I instrument indicating why the questions were being asked. These statements accurately reflected several of the priorities of the Office of Academic Affairs over the next two years, but their form of presentation obscured their significance. The absence of priority statements from the vice-president indicated to some degree the vice-president's hesitancy to make explicit statements of priority. In that regard, he was choosing the flexibility of a political approach to planning as opposed to the formal/rational approach expressed in the original design.

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[4] Memorandum (November 22, 1974).

To some extent, the differences between the Program Evaluation Committee and the vice-presidents that culminated during Phase I might also be described as differences in time and attention. Recognizing the many demands on the vice-president's time, the design team refrained from meeting with him until plans were prepared in considerable detail. Meetings were limited to two three-hour sessions, long enough to lay out mechanisms but not long enough to explore differences in expectations and values. The vice-president was disturbed by what was developing, yet he allowed the planning to continue, assuming possibly that the group had thought through the issues more thoroughly than he had time to do. Instead of taking the time to resolve his uncertainties, and then lead the program, the vice-president went along, giving the appearance of being reluctant and less than fully committed. The OAPA Director and the chairperson of the Program Evaluation Committee carried the responsibility of explaining the project to deans and faculty groups. Although this did give faculty an important role in the planning effort, it also supported suspicions that the program could be terminated if those who opposed it resisted its implementation.

While experiencing and expressing doubts about the specific form that had developed, the vice-president was nonetheless convinced of the need for planning. His support was an important factor in the implementation of the project. He participated fully in the Phase I review process after the compromise design was finally in place. His support included requiring his immediate staff to read responses and attend conferences in the schools and colleges, and to devote one half-day a week to orientation meetings with the review teams during the summer when the review was completed.

The importance of this support became evident the following spring as Phase II was being implemented, after the vice-president announced his intention to accept the presidency of another university. As the planning project was closely identified with the vice-president in campus eyes, this announcement left the project's future open. Deans and staff waited to see how the new vice-president would carry on. In the meantime, compliance with the activities of Phase II was definitely less extensive than it had been in the first phase. Some of the planned activities were given low priority by deans, and only one was completed by all deans. The new vice-president stepped into office the following July and announced immediately that he intended to see the planning project through to completion of the memoranda of understanding. This announcement revived commitment to the effort among campus constituents.

Balancing the longer term concern of keeping the planning effort on track with the need to keep participants on board and firmly in support is a difficult responsibility. The top administrator is a central figure in the program's effectiveness. Compromises are sometimes necessary to retain the support of this person and of faculty groups. In such cases, it helps to be extremely clear about the long-range objectives of the effort, so that the execution of intermediate activities does not come to be seen as the point of the process.

Communication. Communication has two aspects: that which is explicitly programmed in order to achieve some objective, and that which happens informally because people are people. The planning group thought carefully about programming explicit communication at the beginning of Phase I. Several meetings were scheduled with the deans' council to discuss facets of the project's design and to receive suggestions. Meetings were also scheduled with the department heads of the Literary College, with other colleges, with the Faculty Senate, and with its executive arm. Articles were published in the University's official news-sheet, the student paper, and the city's newspaper. As mentioned before, the publicity was aimed partly at alerting faculty to the existence of the project and stimulating them to claim their right to participation. The fanfare was necessary to launch a grass-roots, bottom-up program, but it was also somewhat at odds with the lower key, flexible approach recommended by Michael (1973). The communication style of later phases, which focused on the active participants and did not call for the generation of a public profile, was more in keeping with the Michael view, since it allowed for easier shifts in format and other midstream modifications.

The design team spoke frequently about the need to have open responses to the goals exercise, and free access to all reports. This was viewed as necessary to enable faculty to participate in decisions. The stipulation was not entirely welcome to deans who were accustomed to conducting at least some important business confidentially. At the time the planning project was being introduced, there was no Freedom of Information Act and no Sunshine Law, which were passed by the Michigan State Legislature during Phase II. The University had traditionally operated with a veil of confidentiality surrounding some kinds of essential decisions. The planning team's expectations regarding openness thus represented a modest departure from existing operating norms. The vice-president was sensitive to this style and, although ready to insist on a degree of openness for the Phase I responses, was not ready to make all planning decisions of the Office of Academic Affairs public information. For example, he did not make public the funding priorities of the office. When his staff developed the first revenue and expenditure model, he revealed the results of the model gradually, through several informal meetings with deans, as part of the informational background for planning. By the time the new vice-president took office, the Freedom of Information Act and the state's Sunshine Law had been passed. The new man introduced a more open style of communication and decision making. He published the results of the first Budget Priorities Fund allocations. During the special summer budget meetings held at the beginning of his second year, he discussed the results of the second run of the revenue and expenditure model and presented his set of funding priorities for the University. A tangible outcome of Phase I was the perceived increase in the extent and breadth of communication. The administration norm shifted toward greater acceptance of open communication during later phases, and there was somewhat greater awareness of the conditions affecting the University's welfare.

While the administrative style of the campus had not involved completely open formal communications, this was not true of the informal communication channels. Perhaps because Ann Arbor is a relatively tight community with few geographical attractions outside the city limits, or perhaps just as a special campus style, the informal communication up and down formal lines of authority is both extensive and relatively accurate. This worked to the advantage of the planning group during the stresses of Phase I. The vice-president had access to faculty opinion and knew what was happening; at the same time, deans and faculty were well informed of the main themes in the vice-president's thinking. In this manner, problems that might have been compounded by rumors, suspicions, and misinterpretations were kept in perspective. When an outside consulting firm was asked to conduct confidential interviews with key deans and administrators a year after Phase I was completed, to provide feedback to the planning group, there were no surprises. Most of the feedback from this survey had already been received and incorporated into the design revision. Informal communication networks are one of the simpler factors in the effectiveness of an implementation process; in this instance, they proved to be important.

Underestimating Actual Achievements. The planning effort involved several levels of objectives. Foremost for the vice-president and OAPA Director was the desire to change certain decision-making norms at the interface between the Office of Academic Affairs and units reporting to it. These included the manner in which priorities were established, resources allocated, and planning for the future carried out. These objectives refer to the processes of decision making, not to the decisions themselves. Process goals are not an easy focus for a planning program. A set of activities was designed to achieve these goals. Since the goals were not tangible and easy to understand, however, and the activities themselves were, the attention of the planning group tended to slip toward the activities and away from the underlying objectives. When the vice-president requested that the high profile of the planning project be toned down, some members of the team received this as a rejection of the project rather than the particular mechanism chosen. As a result, some who were directly involved felt that the project had failed.

Evaluations of the project carried out by external consultants after Phase I and at the end of the entire effort showed that a majority of deans and administrators thought that the three original objectives of the project had been achieved. Although the particular mechanism was not entirely successful, the fact of its existence and the subsequent activities carried out nonetheless worked toward the real purposes of the effort. The achievement tended to be overlooked, because the activities had promised further objectives that had not been realized. The design team measured success in terms of the ideal image of planning conveyed in the literature (which they had in mind as the project was designed) rather than in terms of what was actually possible given the stage of development of the administrative units in the University.

The difficulty of establishing viable measuring points along the way, as a guide to assessing the effectiveness of the project, poses particular problems to a planning group that has accepted evolution and change as part of its effort. A change can be interpreted either as the result of a failure or as a productive revision. The Michigan group did not set out realistic, minimum expectations at the beginning of Phase I to use in evaluating its progress. As a result, there was a sense of frustration and failure when parts of the design had to be modified or dropped.

Viewed from an all-or-nothing perspective, the goals phase failed, yet it accomplished a great deal for many units on campus. In the second evaluative survey, deans rated this component as the most successful of the entire effort, even though it was not so well received at the time of its execution. For some schools, formulation of goals and objectives represented the first attempt at a structured contemplation of the academic mission. The product was uneven and did not support the uses expected of it in the original design, yet it was also a measurable achievement for the schools in question. The planning group had not anticipated flawed achievement as it discussed possible outcomes, and therefore was not able to measure and recognize the changes taking place.

Timing. Phase I was launched in the fall of 1975. In the beginning of October, the president of the University delivered his speech on the stat[illegible]f doctoral education and future enrollments in the Universi[illegible]y. At mid-month, the governor announced that the State would be cutting four percent from the funds already allocated to the University for that year. When a special meeting of the deans' council was held to discuss the Phase I procedures and philosophy, these other items pushed onto the agenda as well and overshadowed the planning project. The view that longer-term academic objectives could take precedence over immediate budget concerns proved idealistic. Even though program reduction and reallocation of funds were not explicitly intended outcomes, the unfortunate juxtaposition of issues at the project's launching gave the impression that these were on the hidden agenda, if not overt. The planning team did not take best advantage of the president's annual message as a medium for launching the project. By the time his message came to their attention, things had progressed too far for the president to change his topic or orient his remarks to the planning effort. At least one of the issues that darkened the launching might have been better managed if the team had paid more attention to the strategy of timing as well as the strategy of communication.

A second aspect of timing proved to be one of those homely factors initially overlooked. The original implementation plan allowed for one month of consultation on the design, and three months for completion of the Phase I responses. Consultation took eight months, and seven months were finally devoted to the completion of responses. The elapsed time spent on consultation brought to light many important issues; it also gave deans and faculty a long period to get used to the idea of planning, and therefore served an important purpose. The time commitment was extended by the rhythms of the academic year, the meeting times of constituent groups, and the necessity of finding meeting times for the faculty on the committee. No one expected the planning program to take as long as it did, yet in retrospect, the process actually moved along at a rapid pace.

Integration into Decision Making

While the Phase I conferences were being held during the summer of 1976, members of the OAPA staff began thinking about how to revise the design to suit the new circumstances.

There were four main complaints about the original design: It took too much time, did not allow for previous planning and evaluation work already carried out by the colleges, was not flexible enough to respond to special circumstances, and was based on an oversimplified understanding of the decision processes of the University. The challenge was to devise a revision that would respond to these complaints but at the same time remain true to the original goals of the project.

The first step was to carry out a diagnosis of the organization's decision processes, which was omitted at the beginning of the project. Staff members attempted to define the types of issues and decisions that the planning project would affect, and where the responsibility for making different types of decisions lay. They also looked at the style and approach of the different participants, some of whom were more interested in systematic processes than others. Finally they developed a set of criteria based on a paradigm by Williams (1975) for analyzing the proposed planning activities. The criteria included sufficient time, type and level of decision effected, human resource requirements, technical and political feasibility, utility and potential benefits, and the experiences of other institutions with the activity.

The revised planning design reflected the more finely-tuned diagnosis of the planning environment. It also accommodated the main objections voiced by campus participants. Traditional precedents regarding the responsibility for decisions were respected. The activities of various elements were simplified and greater flexibility was permitted in fitting them to the needs of the schools and colleges. Finally, departments were no longer required to participate. Most important, the planning group had firmly set aside the grandiose expectations that had grown up during the first phase and returned to the original planning purposes outlined by the director and vice-president.

The completion of memoranda of understanding during the fall of 1977 marked the final stage of the original planning project in its revised form. Originally viewed as the first round in a continuing cycle of planning, the project had come to be seen as a transition period during which activities were tested and the campus gradually moved towards more formalized decision processes. By late fall, 1977, OAPA staff were back at the drawing boards working on a design for ongoing planning at the University. This time, the design work was carried out in close collaboration with the chief administrator. Many of the emerging activities were proposed by the new vice-president and later elaborated by OAPA staff.

The new image of planning placed far greater emphasis on resource allocation, leaving the more substantive areas of academic programming to the internal processes of schools and colleges. To some extent, this move reflected the skills and interests of the new vice-president, but it also reflected the less-than-satisfactory experience with the three-phase model.

The new approach to planning involved strengthening the decision processes already in operation. This was accomplished by more extensive use of data in making decisions, better preparation for and broader participation in the budget meetings, more consultation regarding allocations, better documentation of decisions, a longer time frame for the consideration of alternatives, and a host of other details. What had been a high profile, separate planning system was now integrated more fully into the ongoing decision environment.

The loss of a distinct profile for the planning function towards the end of the project resulted not so much from a deliberate effort to submerge it as from the decision not to strive for visibility. The group believed that planning and resource allocation should not be distinct and linked systems, but rather two facets of the same system. The low profile allowed the planning group to work out its new approach without attracting a lot of attention from campus constituents.

The planning project had initiated several specific documents and activities: the Phase I summary statements of objectives and trends, enrollment targets, the evaluation program and schedule, the revenue and expenditure model, staffing projections, memoranda of understanding, the priority fund, and new budget request forms. Some of these were more successful than others, but with few exceptions they were still being used in the annual budget cycle during the fall of 1978. They were incorporated into the normal sequence of activities, however, and were no longer perceived as a separate system that had to be linked to the decision-making cycle.

Not until the fall of 1981 did the central administration renew some of its earlier initiative in central planning. Unlike fall 1974, when no urgent issues prompted those initiatives, fall 1981 found the University faced with the immediate, University-level decisions of financial exigency.

Because the previous year's General Fund budget ultimately fell five percent below 1979-1980, the future implications of present financial choices became painfully obvious. This time, the pressures for prompt and far-reaching decisions precipitated executive-level involvement in planning that could not be accomplished in 1974. Inability to integrate planning results into decision making, under these new conditions, was due more to inadequate time and staff to perform the planning analyses than it was to any resistance on the part of the University's top-level decision makers.

3. CONCLUSIONS FROM EXPERIENCE

Past experience is probably the best single guide in formulating a realistic set of expectations for institutional planning, and the combined evidence of the Michigan experience and that of the five universities studied by Poulton (1980) is adequate to make at least a few generalizations.

The following conclusions draw from Poulton's study in addition to the Michigan experience. Up to now, the most obvious layperson's expectation of planning has not often materialized. Institutions have not gained a markedly improved ability to foresee the future and to chart confidently a course based on that new and better information. With the exception of the dramatic decline in college-age population over the next decade, analytical forecasting and other predictive activities have not produced dramatic new and reliable information of great import. In fact, the recent history of planning has been one of gradually reducing the time interval under consideration from ten or more years down to three, or at most five. If the rate of change in many facets of our society continues to accelerate, our need to see ahead will be greater and our ability to do so will almost certainly be less.

This does not mean that the energy expended on both analytical information and other planning processes is necessarily cost ineffective. These activities can produce results, but less dramatic ones than those associated with the crystal ball. Furthermore, some kinds of results show up again and again, appearing to be common to most such endeavors more or less regardless of the many variations in detail of planning design and implementation. In some cases, these results have been by-products, not identified beforehand among the planners' principal objectives. Since they frequently accompany other outcomes, they are worth careful consideration in defining purposes and expectations, a priori. In some cases, they might well be considered sufficient justification in and of themselves. If they are deliberately designed into the planning process, their beneficial effects can almost certainly be enhanced.

Information Flow and Communication

Probably the most significant role of planning is in increasing information flow and communication on important institutional problems and opportunities. That outcome was noted both in the Michigan project and in Poulton's case studies. It is not so much a matter of generating new knowledge, although there was some of that, but rather of organizing, documenting, and systematically sharing knowledge already available. The academic vice-president at Michigan, for example, concluded that he learned little that was new from the written statements of departmental and college objectives. He regarded the process as useful, however, because it required that he and his colleagues methodically review and discuss objectives, their implications, and the relative importance of each in relation to the others. Similar comments were made at the other universities.

Planning processes typically foster improvements in the structuring of information, filling information gaps, drawing relationships among diverse pieces of information, and evaluation of the decision-making utility of various kinds of management data. Over the course of the Michigan effort, it became increasingly clear that most *departmental* data were useful to the central administration only in a management-by-exception mode, but that *institution-wide* enrollment and student-characteristics data were telling in ways not previously recognized. Because planning processes generally tend to structure and organize management information in a way that facilitates better informed and reasoned judgements, they also tend, for better or worse, to foster a formal/rational view of the organization and a more formal/rational administrative style. If the planning process survives to repeat itself through a number of cycles, this formal/rational approach to both decision-making and planning is likely to be self-reinforcing. Finally, in a small minority of situations, the factual and evaluative information assembled in the course of a particular planning activity paints such a clear picture of the need for change that it alone is sufficient to precipitate a decision to act. Such definitive results tend to occur in evaluation situations, particularly self-evaluation, when the individuals involved are not threatened by the action and have a good deal of confidence in themselves, their programs, and their organization. The same result also occurs when the factual data are dramatic, reliable, and nonthreatening, such as showing an obvious need to increase student enrollments and an equally obvious capacity to do so.

Closely related to the increased information flow are the communication effects of planning. Just as the process fosters more careful collection and analysis of a variety of data, it also encourages more carefully considered and focused communication on important problems and prospects. Not only do the many activities of planning tend to improve the quality of both written and oral communication, through insistence on closely reasoned and supported analyses of issues and options, but also the number of persons in the channels is almost always larger than in day-to-day administrative communication channels. Furthermore, those persons added to the communication network are most often community leaders -- members of the faculty senate, elder statesmen, respected faculty scholars, and elected student body officers. The kind of communication developed between this group and the administrative officers of the institution usually produces greater understanding and closer working relationships across faculty-administrator-student lines, if not a wider spectrum of agreement. In the universities studied, there were very few instances in which this increased communication bred greater cleavage and mistrust. Far more often it enhanced the vital commodity of trust.

Legitimacy for Decisions

After improved information flow and communication, the next most significant outcome was a more "legitimate" basis for administrative decisions. In a community placing high value on evidence and reason, one might expect this to be the case. For example, the self-examination or external review accompanying program evaluation provides the department chair or dean with a legitimate, acceptable basis for moving ahead with changes that might be seriously challenged or undermined were they made by a single individual on a seemingly ad hoc basis. This legitimizing value of planning is inextricably entwined with the information and communication functions. The legitimacy is derived either from the weight of the evidence provided through the improved collection and structuring of pertinent facts, figures, and opinions or from the improved communication, understanding, and trust among a wider circle of community leaders, or from both.

Creation of the Budget Priorities Fund at Michigan offers an example of both. The need to create a continuous source of money to reallocate resources was strengthened considerably by a set of analyses and charts documenting the erosive effects of inflation and historical constant-dollar budget cuts on selected University functions. A second set of charts estimated the future deficits that would be created by continuation of current trends in major University revenue and expenditure components. When these charts were discussed in the two day-long retreats with University deans, there was not a dissenting voice on the need for a reallocation fund. The Dean of the College of Literature, Science, and the Arts, by far the largest college in the University, then requested a similar set of charts on his college to discuss with his department chairs. The same kind of evidence was shared on a number of similar occasions and through published analyses in the University Record. The Budget Priorities Fund reallocation was thus implemented with a great deal of legitimacy and virtually no opposition.

More Expeditious Decisions

Another perceived benefit associated with improved communication has to do with the timing of decisions and actions. When the processes of planning serve to produce a wider understanding of major university problems, aspirations, and directions, then action on specific issues can be taken more quickly and expeditiously. Faculty opinion leaders and key administrators do not have to be educated to the need for every important action on an ad hoc basis, because the planning process gives them a common context for individual decisions as the need for those decisions arises. A larger fraction of all decisions becomes routine because they merely implement general directions hammered out previously. The communication base makes some difficult decisions less so and easier decisions quite simple to implement.

Differential Utility for Users

Administrators at different organizational levels tend to find the processes and products of planning differentially useful. Central administrative personnel usually find that master planning and resource allocation techniques contribute to systematizing budget procedures; bringing more information to bear on central policy decisions; increasing the sensitivity of decision makers to a broad, institution-wide perspective when considering decisions; and expanding the circle of participants who influence decision processes. Departmental personnel, however, do not necessarily find comprehensive master plans or resource allocation mechanisms of direct assistance to the operations of their units. A major concern at the department level seems to be the inability of a centrally oriented planning activity to promote or support change within the departmental unit. Statements expressing these contrasting views were made at several of the universities studied by Poulton.

On the other hand, program evaluation activity is typically of greatest benefit to the departmental unit. A program review is normally tailored to the unit's individual needs and problems, and provides a rare opportunity for the unit to present itself in great detail to university administration, faculty, and colleagues in the discipline. Both qualitative and quantitative data are assembled in new ways by faculty so that unit goals tend to be clarified, a better basis developed for faculty positions, departmental issues of concern clarified, priorities more readily recognized, and problems approached in a more rational, less emotional manner.

The dean of a college or the director of a major university division typically finds selected benefits from all of the activities. The centrally focused planning and resource allocation activities provide the guidelines, boundaries, and parameters within which the dean or director can manage. The results of program evaluation supplement a dean's knowledge of unit activities and trends in the discipline, and provide a vantage point for observing qualitative changes and shifts in priorities of the unit. One particularly useful indicator of the health and vitality of a unit comes from observing the way the unit responds to the recommendation of a program review.

Ultimately, perceived utility by users seems to depend upon the match between the kinds and levels of information and issues addressed by the planning process and the nature of issues of concern to potential users. In addition, perceived utility depends upon the orientation of a potential user toward basing actions upon rational principles and upon using the analytic information produced through planning.

Shifts in Perspective

Still another perceived outcome of planning is a gradual shift in certain perspectives of the participants themselves. While there is only soft evidence to support this conclusion, it was judged to be real and significant over time. A concrete illustration is that of attitudes toward the Phase I statements of goals and objectives produced by Michigan schools and colleges. As noted earlier, two rounds of confidential interviews were conducted, with about forty planning participants each, to assess the perceived strengths and weaknesses of planning implementation as it evolved. Shortly after the school and college statements of objectives were formulated, most deans and central administrators registered lukewarm approval and satisfaction with their utility, largely because no concrete action had been taken as a result. In the second round of interviews two years later, the attitude toward those same statements was noticeably more positive. In the meantime, the statements had become reference documents in the annual round of budget-planning conferences.

A number of similar incidents leads to the conclusion that continuation and refinement of planning activity over a number of years does produce changed perspectives on the part of participants. They tend to be more aware of long-term trends in university operations and more conscious of the future implications of present decisions and commitments. They are likely to be more aware of the variety of opportunities and constraints surrounding their actions, and of all the options open to them in a given situation. They see more clearly the need to weigh trade-offs. Unfortunately, the extent and depth of these changed perspectives is difficult to assess. Few participants change their views quickly, so this outcome is seldom seen in the first year or two. Evidently this impact is limited to those directly involved in the planning work and those who rely on its products to carry out their own responsibilities. Thus, only those who experience planning directly are likely to be affected personally and change their modes of operation as a result.

Those whose attitudes are altered tend to reveal it in their administrative styles, shifting toward the formal/rational view of organization and decision-making. They become more knowledgeable about the sources and uses of information and make greater use of that knowledge in their operating and policy decisions. They also learn to use evidence more effectively as a means of justifying decisions and actions, particularly when their actions conform to and implement previously planned directions and agreements. When changed perspectives occur on the part of key administrators and faculty opinion leaders, the decision-making norms of the organization tend to shift, reducing the influence that political advocacy and unit autonomy claim on the institution's managerial style and outlook.

Effects of Personnel Turnover

In retrospect, the amount of turnover in the Michigan planning group during 1974-1981 was startling, but apparently not much greater than that in similar institutions. Two new academic vice-presidents plus a one-year acting vice-president were appointed, as well as two new associate vice-presidents and a new OAPA director. Because development of planning processes evolved over years rather than over months in the universities studied, midstream changes in key personnel appear to be more the rule than the exception. These changes made two important impacts: They disrupted and delayed, and in some cases they modified and redirected the entire effort.

The major cost of planning-personnel turnover seems to be time delay. Outgoing administrators lose interest in keeping things moving and their replacements want orientation time before making far-reaching decisions. Failures to maintain planning schedules are usually viewed as serious problems at the time they occur, but, overall, the cost probably is not great. Planning implementation requires more time for administrators to adjust than it does to keep pace with the planning mechanisms.

More significant are the costs and benefits of planning changes made during personnel transitions. If the planning program is developing well and has substantial support, it should not be thrown completely off track by replacement of either the principal advocate or the primary staff planner. At Michigan, and in those other institutions where planning implementation faced significant problems, those who were dissatisfied used the occasion to try to modify the planning effort, or in extreme cases to scuttle it. For the most part, those modifications and redirections improved the planning design, although in one or two cases it appeared that almost the entire effort had died, to be born again after a considerable time in suspended animation.

Experience suggests that although changes in planning leadership may be troublesome temporarily, they should be expected as part of the sporadic evolution of the process. In the long run, these changes tend to self-correct planning programs that are off course. They seldom suppress for very long attempts to respond to the recognized planning needs of the organization.

Frustration

One adverse impact of planning activities needs to be noted. Frustration has been observed frequently enough to deserve listing as one of the potential by-products. Participant frustration stems most often from three sources: initial over-optimism concerning the near-term impact that planning activity will have on major institutional decisions; a related inability to see any significant impact because of the complex, long-term nature of institutional change; and resources insufficient to implement many worthwhile recommendations accruing from planning and program review activity.

Advisory groups and others, enticed by planning advocates to participate, are frequently not familiar enough with the nature of planning processes and the complexity of institutional decision-making to realize that the evidence of their success will reveal itself indirectly and over a long period of time. They can find themselves unable to track the successive impacts of their work through the complexity to concrete and decisive administrative action, and this is likely to create some anxiety on their part. This anxiety may be compounded by limited time available for planning involvement, particularly on the part of faculty participants. A more serious source of frustration is failure of the institution to respond to worthwhile planning proposals, usually arising from program review, with the resources needed to implement the proposals. Like economic development programs in underdeveloped countries, the planning programs tend to generate rising expectations among their participants. When limited resources preclude significant rewards for conscientious effort, a sense of wasted time and energy sometimes follows.

In general, the greater the pains taken to define clearly and communicate the nature of the planning activity and the purposes it will serve, the less serious is participant frustration as an inhibiting outcome of the process.

These, then, are the kinds of outcomes observed when institutions persist over several years in their determination to make planning an integral part of administrative operations.

They are cited here because they bear directly upon the need to think meticulously about planning purposes and intended outcomes before announcing and implementing a formal planning program. Experience suggests that current practices do not result in any dramatic improvement in the institution's ability to foresee the future and respond to that foresight. Nevertheless, most institutions that persist intelligently with the implementation of planning mechanisms do strengthen their capacity to adapt and, to some extent, mold their own futures. This ability occurs not so much from improved foresight as through a more general strengthening of several mundane management activities: the organization and transmission of management information, the depth and breadth of communication on important issues, the use of both information and communication to facilitate and gain acceptance for courses of action, sensitivity to future implications of present actions, awareness of the range of options available, and increased confidence in those who must select among the options. These are realistic objectives for a planning effort. Their achievement is obtained gradually and is seldom patently obvious, but those deeply involved in planning will do well to evaluate their present and future efforts according to the costs of achieving these outcomes and the benefits to be derived from them.

4. SOME PERSONAL OBSERVATIONS

Conclusions described in the previous chapter are based largely on evidence from experience at The University of Michigan and at the five other universities studied by Poulton (1980). In this chapter, the authors take the liberty of making some personal and more subjective judgements on various aspects of institutional planning.

On Definition of Planning Purposes

One of the most costly aspects of college and university planning as currently practiced is that programs are often implemented with less-than-clear understanding and agreement about what is to be done and why. Usually, the need is not urgent in terms of immediate results. The longer-term results are not obvious either to the initiators or to those asked to participate, and those promoting the effort are hard-pressed to describe in concrete terms the benefits expected to accrue or precisely how they are to be achieved. Purposes such as "more informed preparation for future action," " a clearer sense of priorities," and "more effective resource allocation" are insufficient. They are too general and ambiguous to be operational and must be supplemented by statements identifying the weaknesses of present processes, the specific changes needed, the kinds of decisions they will serve, and an explanation of how those processes will operate after the changes are made.

Unless planners can describe their objectives in both broad and specific terms, they have not thought them through far enough. While general platitudes might be sufficiently persuasive to get the enterprise started, they are not sufficient to decide whether five-year faculty salary targets should be included in the written goals of college X, and who should agree that those goals are reasonable and high priority. General purposes that cannot be supported eventually by the specifics of future planning action will catch up with planners when they get down the line. At that point, they are likely to get blown out of the water. The academic community is expert at asking "Why?" following each explanation. That inquiry continues until the "whys" have taken the questioners as far as they want to go in two directions: to a satisfactorily broad and philosophical justification of the planning effort, and to a sufficiently detailed and operational justification. If planners cannot demonstrate that they have thought the purposes through as far as their constituents want to take them, in both directions, then those who are expected to participate are left with feelings of anxiety and with a lack of confidence in the program's sponsors.

Not only does fuzzy thinking breed lack of confidence, it can also promote _false_ agreement. If planners fail to impart to participants and their constituents a clear understanding of planning purposes, then they leave them room to talk past one another. They will be able to put their own interpretations on statements of purpose and come to semantic agreement while remaining in substantive conflict. In a sense, this occurred in the Michigan case when the Program Evaluation Committee was emphasizing the "ends" aspect of strategic planning while the academic vice-president was emphasizing the "means" aspect of tactical planning. While these views were not in direct conflict, they did not represent the same priorities among purposes. Fuzzy statements about purpose also get planners into trouble during later evaluation. Poorly defined purposes permit poorly defined criteria for planning performance. In fact, they usually allow a variety of criteria, so that whatever planning activity subsequently takes place can be justified within the ambiguously stated purposes.

The first obvious, but often underrated, step in planning design is to think carefully and in detail about the useful purposes planning might serve and the specific ramifications of each. Several kinds of organizational purposes for planning are common (Peterson, 1980) and can be abbreviated as follows:

Adaptive: to adjust to a major redefinition or change in the institution's mission, role, image.
Managerial: to improve effectiveness and efficiency.
Maintenance: to improve the capacity for predefined growth, development, and performance (within existing mission and image).

Boundary: to improve some aspect(s) of relationships
with external constituencies.

Most likely, an agreement will need to be forged representing some combination of these. Then the next questions to be answered are: What is the priority to be given to each of these, and what are the expectations, specific objectives, and desired outcomes under each?

Clear and detailed thinking about outcomes is important in several other respects. It usually prompts telling questions about the relationships between the planning program and its environment. Second, it also provides a preview of the influences and pressures likely to be brought to bear during subsequent planning activity. Finally, for all of these reasons, it lays the basis for the design and implementation stages.

Obviously the external and organizational environments limit the range of planning purposes and expectations that are viable. Do the initially stated purposes assume that we have control over some external environmental factors when in fact we are at the mercy of those factors? Do the objectives of the program depend upon accurate long-term projections of variables that are highly unpredictable? Are planning purposes centered on the intent to change organizational attitudes and processes deeply ingrained in the philosophical orientation and historical precendent of the institution? Are the required planning mechanisms grandiose in terms of the staff who can be mustered to carry them out?

Strangely enough, these questions are often left unasked at the beginning, or when they are asked, they are often left unanswered. The good practitioner persists in getting answers to these questions. If the answers are positive, then the corresponding statements of purpose need to be re-evaluated, for they are probably unrealistic. Upon review, it might be decided that one or more objectives should be modified to take greater recognition of constraints imposed by the institutional environment, but it might also be decided that the particular purpose is so central to the outcomes desired that strategies must be developed to alter the environment itself. For example, it might be agreed to design the program to bring about changes in selected institutional attitudes even though those attitudes are deeply imbedded in the community culture. One of the great benefits of carefully stated purposes is that they permit planners to anticipate problems at the interface between the planning activity and the institutional setting. That is a necessary first step if those problems are to be addressed before the damage is done.

Careful delineation of purposes also provides an early indicator of the sources of support, resistance, and pressure likely to accompany later planning activity. In that sense, it serves as a tool to assess the organizational climate. Early advocates of the idea might back off or compromise quickly when faced with differences of opinion concerning what planning should accomplish. Faculty groups might concede the validity of some purposes after only brief discussion but remain adamantly opposed to others. Planning staff members might press hard for the kind of planning that falls within the areas of their own expertise, areas most fully utilizing their own capabilities. Indicators of this kind can reveal not only the sources of interest and influence, but also the type of following various points of view attract and the vehemence with which those positions are espoused and defended.

The stance taken by the primary planning advocate in discussions of purpose can be especially telling. A tough, uncompromising position is likely to undermine the substance if not the form of the effort eventually, and quick retreats from initial purposes portend an equally gloomy future for the endeavor. Given the evolutionary nature of planning, patient and moderately flexible leadership that is doggedly persistent on the larger purposes offers the best hope for later planning stages. Better that the planning staff and other participants be aware of the executive leadership stance early, so that it can adjust its implementation strategy accordingly.

The need to formulate planning purposes clearly and gain agreement on them is little more than adherence to good, traditional management principles. Yet the practice of launching into a full-scale design with unexamined assumptions about objectives and benefits is all too common.

On the Formal/Rational Approach

Another shortcoming in current practice is the tendency of planning advocates to become enthusiastic proponents of one approach to the exclusion of all others. Too often the advocate's knowledge of planning is not as broadly based as it needs to be. If the person's disciplinary background is in psychology, he or she may be more comfortable with the organizational development approach and conclude that it provides all the answers to the institution's planning needs. The political scientist may fall naturally into the use of a political model, and the computer scientist-statistician into use of the technical approach. (For an analysis of major planning approaches, see Peterson, 1980.)

The dangerous error of relying too heavily on a single model for planning is most often committed by overemphasizing the formal/rational aspects of the process to the exclusion of the political, human, and inevitable evolutionary aspects. Even when critics have pointed out all of the problems in relying so heavily on formal, rational, and seemingly artificial activities and analyses, many planners have forged ahead anyway. If this is indeed a dangerous error, why has it occurred so frequently?

The most obvious reason is that formal structures and systems describe better than any other single perspective the salient characteristics of the institution as an organization. It is apparent to most academicians that while some things can get pretty chaotic, there is nevertheless a formal and quite workable set of structures and processes for doing the work at hand. In spite of institutional imperfections, organizational goals do exist, budgets are formulated, resources are allocated, and academic functions are performed and evaluated. While these characteristics may not be as fundamental and powerful as formal/rational planning implies, they are better understood by most people than the characteristics emphasized in the other views of planning.

Second, there seems to be a natural affinity between the predilections of most planners and the qualities of formal/rational systems. Planners, to date, have often come out of one or another variation of the "numbers business." Probably the preponderance has moved into planning from institutional research and budgeting, with disciplinary backgrounds involving computers, statistics, and quantitative methodologies. They enjoy working with neat, logical, structured systems. Planning in the abstract lends itself to those systems. The formal/rational planning cycle represents an idealized view, in many ways particularly attractive to the analytical mind. Its beauty lies in its closely reasoned, logical consistency. It is a closed, complete system. All the parts fit and work together nicely. What could be more reasonable than to act according to one's purposes and then as the basis for further action, to assess one's performance toward achieving those purposes? To do otherwise is to act without direction, to drift with no reckoning of where one has been or is going. The approach is also neutral intellectually, and it places a premium on the objectivity of reasoned processes. This is particularly appealing not only to the intellectual biases of planners, but also to a community dedicated to the promotion of these values over illogic, emotion, and unenlightened self-interest.

Third, not only is the logic of the planning cycle compelling, it is also easy to make clear to novitiates. Its common sense screams out to be understood, and clear explanation and communication are the sine qua non of good planning. In this respect, the planner's cause is further advanced by a plentiful supply of literature. Books, articles, and training manuals are readily available on a variety of procedures and analytical tools, all of which support formal/rational techniques. Since those who are to be involved in the process will be spending a good deal of time and energy on it, they are likely to commit themselves only so long as they have a clear perception of what they are supposed to do.

Like most ideal systems, the pure and systematic planning cycle is advocated by many but destined to be achieved by few. While it dominates other perspectives, its overemphasis creates a number of problems for the practitioner who commits that error. The cardinal sin is to fall in love with the "all-or-nothing" beauty of its logic. That way leads to the attempt to design and implement all parts of a comprehensive and internally consistent cycle as a single, integrated system. Since each phase of the cycle depends upon previous phases and supports following phases, to break the cycle would seem either to destroy the value of all phases or at least greatly diminish the efficacy of each.

While it is difficult to dispute the rationale, few, if any, institutions have been able to complete the cycle in a comprehensive and systematic manner. For one thing, the form and timing of the processes tend to take on lives of their own, independent of the purposes they are serving. For another, at least parts of such attempts fall of their own weight. In the Michigan case, the anticipated workload imposed by comprehensive program evaluation was viewed as being so heavy that the evaluation phase could not be implemented in the same time cycle as other phases of the project. Often the demands placed on analytical staff by the attempt to implement all phases at once are found to be excessive. Many of the computer models and analytical support systems are voracious consumers of data, not all of them ordinarily available in the institution's own data base.

The ultimate weakness of overemphasis on formal/rational systems is simply that they fail to account for many of the realities proclaimed by the other perspectives on planning. Colleges and universities are also informal, human organizations of great heterogeneity. Academic departments are not like peas in a pod, nor are schools and colleges. Exceptions in criteria, formats, and procedures in almost every phase of the formal planning cycle become more common than the rules. Moreover, the very nature of teaching and learning places a premium on loose structures and procedures, and on a good measure of personal flexibility for teachers and students alike. The complexities of the organization, both formal and informal, are likely to go beyond the capacity of formal systems to incorporate them. That often renders comprehensive systems at one and the same time too simplistic to be useful in practical decision-making and too elaborate to handle analytically.

This is not intended to suggest that the formal/rational model is any worse than the procedures prescribed by other planning models. In fact, it is probably the best -- and certainly the most completely -- developed and commonly applied. Planning as an idea is basically a logical idea rather than an intuitive insight, and most planning activity has to be defended on its rationality. The complaint here is not with the theoretical model, but with the way it is overapplied in practice. Its advocates too often regard it as the answer and attempt to implement the fully developed version in its entirety, even though the institution may then have only rudimentary management systems to support its respective phases. These advocates too often give only lip service to the distinguishing values of the academic community, the sources of human motivation that can be used to support or impede planning, and the important role of politics in institutional decision-making. The other planning models need to be exploited for what they have to contribute, and the arguments for implementing the complete system are not as powerful as those for implementing it gradually, one piece at a time.

On Formal Goals and Objectives

Closely related to the formal/rational version of planning is the logic of establishing formal goals and objectives. Not only are goals a key step in the planning cycle, but they are also fundamental to most of the other theoretical approaches. As in the more general case of the formal/rational model, the problem is not the important role given to goals setting in theory, but rather that theory is applied by practitioners as if it were fully clothed reality. In fact, the practitioner must be able to dress the bare-bones theory according to the planning climate and weather.

One of the basic difficulties in carrying out the goal-setting component is that whether they are established in descending or ascending order, goals seldom interlock neatly. Their tendency to float freely can prove unsettling to the planner attempting to follow the book. In the early days of the Michigan project, there was a great deal of discussion among faculty and administrative staff about whether the

Vice-President for Academic Affairs should establish broad goals for the institution, within which units might establish more specific goals, or whether goals should be established first at the unit level and cumulatively spell out the story of the University's future. Eventually, statements of goals and objectives were produced for departments, colleges, and the Office of Academic Affairs. Rarely were these statements truly hierarchical in the sense of locking together so well that difficult decisions of interpretation were unnecessary. They were not often useful beyond one organizational level removed from the unit making the statement. In other words, statements of goals and objectives for departments were sometimes useful at the dean's level but not at the department level. Departmental goals were too specific to be aggregated in any meaningful way for the kinds of planning decisions to be made in the Office of Academic Affairs. Not only were departmental goals nonadditive in many cases, but also they were often contradictory from one college to another. Professional schools might place a good deal of emphasis on applied research and professional consulting, whereas those kinds of faculty activities would be viewed negatively in some arts and sciences departments. The only pertinent statement that might be made on the subject at the vice-presidential level would be the relativelyuseless generalization that the institution as a whole should accommodate pure and applied research as well as professional consulting as important faculty activities. The utility of formal statements of goals and objectives was limited largely to pairs of organizational units in the vertical hierarchy ("matched pairs" in management-by-objectives terminology). Furthermore, all unit heads were still left with the difficult judgemental tasks of weighting different and sometimes conflicting objectives in setting priorities and allocating resources. Formally stated goals and objectives did not make that task much easier, as many had assumed it would.

While it was generally true that goals stated at the central level were not specific enough to guide action and allocate resources for many and diverse departments, and while the specific objectives of diverse departments did not aggregate easily into University-wide goals, there were nevertheless a number of specific departmental objectives deserving central-level attention because of their direct and specific impacts on remote units. One unit proposed to introduce an academic major closely paralleling one in another college of the University. Another unit proposed to accept students at the junior rather than at the freshman level and draw its junior-leve matriculants largely from the pool of sophomores in the College of Literature, Science, and the Arts. Although most department-level goal statements were of no material interest to the central administration, deans had to be careful to forward to the vice-president those exceptions that were of material interest.

While the idea of setting goals and objectives is certainly valid in that virtually all organizational activity is somehow goal-directed, planners aware that this linkage of goals is ingerently loose in the academic setting are saved a good deal of grief. They are better prepared to respond to department chairs who mistakenly expect not only the dean but also the vice-president and president to comprehend, react to, and allocate resources directly to the department for accomplishment of its objectives.

Planners need to explain to participating administrators that goals and objectives are transformed into new levels of generalization at each succeeding rung up the ladder, and that generalizations inherently offer wide latitude for subjective interpretation. The very looseness of these generalizations makes possible planning and allocation decisions at each succeeding rung. If this fact is not recognized, those doing the planning at higher level may well usurp the legitimate planning authority and responsiblity of others down the ladder. While the vice-president might be sorely tempted to made decisions on the basis of goals and objectives stated by first-line operating units (and some of those units might welcome it), that dramatically centralizes institutional decision-making and violates the principles that will enable the practitioner to identify and protect against the misapplication of a valid concept.

On Comprehensiveness Versus Selectivity

The relationship of planning to operational decision-making is determined largely from the relative comprehensiveness of the planning program. The more comprehensive the design, the more areas of decision-making affected. Although planning theory, particularly the formal/rational model, points out the advantages of a comprehensive approach, most institutions would be well-advised to begin with a selective rather than comprehensive design. The argument that each phase of the formal/rational cycle depends on the preceding and feeds the succeeding phase is technically correct. Ideally, comprehensive planning would be more effective because of the mutual support the phases of the cycle provide for one another. Planning is not undertaken in the best of all possible worlds, however. In practice, fully comprehensive planning typically offers an "insurmountable opportunity" because institutional resources, staff sophistication, and participant attitudes are not sufficient to pull it off. Too many decision centers and kinds of decisions in the governance structure have to be involved.

Probably one of the basic reasons why Stanford University is unusually successful in its financial planning is that its planners deliberately designed a set of procedures focused on clear but limited decision objectives, those needed to achieve financial equilibrium. The philosophy of mobilizing relatively modest resources to accomplish one element of planning has paid off. The center of gravity of the Michigan effort ultimately settled on the resource allocation phase of the cycle, because that is where the interest and competencies of its planners were greatest. Although the planning design must reflect both a clear statement of purposes to be achieved and a perceptive reading of the environment, the planning team is advised whenever possible to build its program upon those elements in which the institution has the greatest experience and competence. This implementation strategy is more likely to produce some early successes and a firmer credibility base for more comprehensive activity at a later date.

On Plans Versus Planning

Whether the primary purpose should be the production of a set of plans or, instead, the development of an ongoing planning process constitutes such an old and persistent question that it is worth comment. Each view has its advocates and if planners are not clear on this aspect of purpose when the project is presented to the community for discussion, they are likely to appear less than decisive. Most planning programs include some paper products that might be called plans, and they also pay attention to the development of continuing activities labeled "planning." For operational purposes, paper documents disseminated as institutional plans have much more limited utility than the collection of activities described as planning processes. Institutional plans, and particularly comprehensive ones, seem to be more useful as a means of explaining the institution to external constituencies than as a means of improving institutional preparation for important decisions. Most of the beneficial outcomes identified in the previous chapter are results of the process rather than impacts of the product. The shortcomings of paper plans are several. They are static and times are changing rapidly. This rigidity makes them inflexible and unnecessarily constraining. These qualities, in turn, make it difficult to secure firm commitments to carry out the planning provisions. Finally, the lack of commitment by decision-makers seriously weakens the link between those provisions and other management decisions necessary to make the plan an effective management tool.

The vulnerability of plans to becoming outdated and shelved is often cited in the literature. Less frequently mentioned is the fact that changes in institutional leadership can render such plans obsolete. One medical school dean resigned himself to the futility of planning after two conscientious attempts, over a five-year period, were stymied by two changes in the institution's presidency. Each new president changed the ground rules. The medical school dean is no longer enthusiastic about committing his time and energies to the formulation of yet another set of plans, and he is even less enthusiastic about committing his decision-making authority to carry out the provisions of a new plan.

What can be done to avoid such an outcome? One possibility is an informal, working document -- the planning memorandum. Recognizing that paper plans have some value, the academic vice-president at Michigan conceived of the memorandum of understanding as a means of ameliorating the static nature of planning documents and increasing the commitments of line administrators. It was designed to be a statement of mutual intent, continually tentative but subject to change only upon agreement of both the school or college and the Office of Academic Affairs. The paper was to represent a mutual commitment to shared objectives with full recognition that the objectives might or might not be achievable depending upon the course of future events. The instrument was deliberately described as an informal working document portraying a spirit of cooperation rather than accountability. While not an unqualified success, it represents one alternative to the formal, high-visibility planning paper for those institutions needing documentation of agreements as well as a planning process.

On Trust and Open Communication

In most cases, the planner cannot alter significantly the prevailing norms of trust and openness in the governance of college or university affairs. Planning mechanisms must be adapted to those norms. Otherwise, the effort is likely to be regarded as impractical and naive, which it likely is. The extent to which trust and open communication prevail in an academic community determines to a significant degree which planning approach must be emphasized, because community norms usually reflect in large part the leadership's philosophical view of the organization and its administrative style.

The formal/rational approach to planning makes the greatest demands for an open and trusting atmosphere. It assumes that participants in the process will act rationally and objectively enough to eliminate parochial and individual self-interest as a serious planning problem. The community is expected to reason together and arrive at goals and directions that will gain acceptance through the clarity and force of their logical necessity and consistency. The formal/rational model never really addresses the problems of hidden agendas, defensive attitudes to protect turf, and strategies for negotiating from initial positions of strength or weakness (a major vulnerability, according to critics). This flaw became obvious during the implementation of an essentially formal/rational approach at Michigan. In retrospect, it is easy to identify selected deans, directors, and other unit heads who adhered to a political view of the University, or who regarded their units as semi-autonomous. Those who adhered to the former view were reluctant to lay all their cards on the table initially, preferring to use them selectively in planning "negotiations" as the project evolved. They viewed their roles as advocates who must negotiate for the best planning agreements that can be achieved. Those who reflected the view of semi-independence came, in fact, from some of the more autonomous units of the University, which have substantial "outside" funding. They tended to be more open than the political group in stating their planning positions, which was essentially the following: We don't think it is necessary to develop plans jointly with the central administration because that will centralize decision-making, and that is not consistent with our past and present autonomy. We do not think you need all the planning information you are requesting, because we make those planning decisions.

Thus, assumptions about the basic nature of the organization produce not only a profound impact on the styles of the administrators who hold them, but also a derivative impact on the degree of openness and trust characterizing the institutional environment. That impact, in turn, conditions the climate for planning and influences greatly the procedures likely to be viable.

Closely related is the ever-present need for open, sufficient, and accurate communication. It can hardly be separated from trust, but trust is not enough to insure it. As open and trusting as many of the discussions were during the Michigan project, they illustrate two common problems in developing regular and sufficiently informative means of communication among constituents, planning participants, and major line administrators. First, what was not said was often more important than what was. For example, failure to keep the president and academic vice-president intimately informed of thinking within the faculty and planning group resulted in a public proposal by the president to set up a separate body to review Ph.D. programs. The planning group regarded such reviews as an integral part of the planning design. That gap in communication confused both the planners and the dean, and required some patch-up coordination.

Second, the desire to be cooperative in and of itself sometimes produced false agreement and impeded complete and accurate communication. Modest differences among the faculty committee, planning staff, and academic vice-president's staff were recognized early, but the norm of "going along" and giving other parties the benefit of the doubt disguised the degree of commitment each party had to its own position. Well-intentioned but false agreements, brought about by lack of clear and forceful communication of true feelings early, required more painful compromise and redirection of procedures later. Planners need skill in eliciting full, accurate information as well as imparting it if false starts and backtracking are to be avoided.

On Planning Advocacy

Another consideration in linking planning to decision-making is that of advocacy. Who in the governance structure is going to act as advocate for the planning program and get it incorporated into the accepted decision-making style of the institution. Two kinds of individuals are necessary, for a viable planning program. One is the highly placed line administrator (preferably plural) who acts as planning advocate before both faculty and administrative staff groups. Typically, committed advocates at the presidential or vice-presidential level are needed to mount institution-wide planning efforts. This kind of advocacy is regarded as a sine qua non in industry, and is confirmed again in university experience. The second type of advocate is the planning coordinator or lead staff person. Enthusiastic dedication by this person is necessary to sustain the momentum of the program as planning tasks and workload accumulate, needing assignment and follow-up.

Once a decision to initiate formal planning is made, visible advocacy by the chief line officer of the unit or units doing the planning is necessary to give the activity legitimacy and credibility. The interest expressed demonstrates, not too subtly, that units will be held accountable to their own executive officer for their planning performance, that it is an assignment to be taken seriously, and that it is not voluntary. Leadership does not mean that the executive officer must be the planning expert. The process in all its procedural detail may well be organized and described to internal constituencies by the planning coordinator or others, but in initial explanatory sessions with faculty and administrative groups, the "boss" should be there to explain the ultimate purposes of the effort, the reasons why it is being undertaken, and the value expected to accrue from it.

In the Michigan implementation process, these explanatory sessions were usually conducted by the planning director and the faculty chair of the Program Evaluation Committee. As a result, many academic administrators then went to the president or academic vice-president, asking in effect: Whose idea is this, really, and how seriously are we to take it? That weakened the initiation step, and in retrospect it could have been avoided. Integration of planning into decision-making demands active leadership. Planning practitioners can seldom accomplish that without the forceful advocacy of the line executive who oversees that decision-making.

On a Holistic, Evolutionary View

One striking phenomenon at a number of institutions is the common tendency to take a narrow and shortsighted view of the process. A frequent shortcoming is failure by planning leaders to consider all the angles and dimensions of what they are undertaking--in other words, failure to take a holistic view. Their successes are limited less by what they do consider and act upon than by what they do not. A related oversight is failure to think of planning as a flexible, progressive development--that is, failure to take an evolutionary view. Both of these forms of myopia increase vulnerability. In fact, higher education planning to date is probably better known for its weaknesses and shortcomings than for its strengths and positive contributions. Too often, designs and implementation strategies fail to look in all directions. Planning advocates might overlook the strength of entrenched faculty interests, the poor state of the management data base, or an incompatability between the planning proposal and current leadership style. Or they might cling tenaciously to an original planning paradigm that should have been modified or abandoned in the light of the resistance it generated. No matter. The benefits that might have been are lost because the planning team was blind to some important considerations.

Successful planning cannot be an independent, isolated management function. To be useful, it must invade the organization to which it is applied and engage the professional self-interest of faculty and administrators alike. Planning typically addresses not only the mission of the organization but also the personal aspirations of individuals. It is sometimes perceived as a challenge to existing traditions with respect to organizational structure, behavioral norms of all kinds, and value judgments about both the present and future. The more ambitious the planning program in organizational scope and penetration, the greater the invasion, and thus, the more threatening or inspiring it becomes. Since planning inherently displays that character, the nuclear group needs the kind of circumspect attitude toward both the process and the environment which helps to keep it from being hit on the blind side by some force it failed to consider.

Following is a set of design and implementation guidelines for would-be planners:

1. The purposes of the effort should be thought through as completely as possible, a point emphasized throughout this monograph.
2. The extent to which the internal and external environments have to be analyzed must be carefully reviewed because of their complex power either to facilitate or constrain the planning program. If the program is externally oriented, environmental trends and their influence on the linkages providing resources to the institution must be examined. The extent to which resources flowing to the institution are predictable and controllable warrants careful analysis.
3. Whether the effort is externally or internally oriented, the group should be familiar with the basic planning approaches described by Peterson (1980). This knowledge will sensitize the group to all the complexities of the institution as both a formal organization and an informal human community. The characteristics of the organizational structure as well as the accepted decision-making processes are critical. Equally important are the administrative styles and philosophical

views of the organization held by top administrators and opinion leaders.

4. Implementation strategies per se -- the fit of content to purpose and the combination of content and purpose to the unique characteristics of the institution--must be previewed. Planners must think through the proper role of analytical information systems and technical expertise, so that those supports can be provided with reasonable resources and can serve not only planning, but also the decision-making and administrative styles of the institution. Finally, they should remember that the links connecting planning processes and products to important management decisions are tenuous.

This kind of holistic planning view offers the maximum durability. It provides internal strength and integrity to the effort, and minimizes the probability of being blindsided. An initial holistic view also affords the greatest promise for progressive development of the planning function.

Although the leaders of any planning endeavor need a holistic view of the enterprise, that is quite different from beginning with a comprehensive planning program. On the contrary, the chances for long-term success are greater when the initial effort is deliberately limited in purpose, organizational scope, and planning content. Many institutions have engaged in master planning and most of their plans have been ephemeral. Many institutions are still engaged in limited financial planning. That is not coincidence.

The planning process should also be viewed as evolutionary, a point that cannot be overemphasized. Historically, each of the management functions has developed more sophistication over time, and planning is no exception. We cannot expect to implement full-blown, sophisticated planning systems any more than we would expect success in imposing a comprehensive and sophisticated personnel or accounting system on a college or university operating with only the rudiments. Ideally, one would begin in the sector of the institution where management is the most competent. Unfortunately, we too often begin where the need is greatest, where external or internal events precipitate it. In that case, it is even more important to limit the initial expectations to the most modest essentials. Even more important is the plea to "hang in there," giving the effort an opportunity to improve over time.

The evolutionary view of planning is a satisfying one on which to conclude this monograph because it represents both a valid and an optimistic strategy. Its validity stems from the complexity of the planning function and the virtual impossibility of thinking through all its details in the beginning. While that must be given an honest try, in practice it is seldom achieved. Michael's (1973) advice approaches a mandate: we really have little choice about "learning to plan and planning to learn." The evolutionary strategy recognizes that planners cannot fully anticipate the course of events. If design and implementation are to accommodate changing conditions, then many of the specifics must be hammered out as the project progresses.

A point rarely considered is that the style of planning conveys definite messages to the academic community. Implementation exhibits both a spoken language and a body language of its own. A holistic, evolutionary style conveys several important messages to the academic community. If it is obvious that planning advocates have a comprehensive view of the process, they are more likely to be respected as thoughtful, knowledgeable, and reasonable. The message will be one of careful preparation by those responsible. It will be evident that various points of view and foreseeable problems and issues have been considered. An evolutionary view conveys the message of respect for the complexity of organizational governance, as well as an image of open-minded flexibility. It assures constituents that the planning program need not represent status guidelines and rigid constraints on decision-making. Confidence of the academic community in the willingness of planning advocates to adjust to changing circumstances can do as much as anything to encourage cooperation and acceptance of the program. These messages are indicators of both the sincerity and realism essential to success.

APPENDICES

A. Phase I Questionnaire

B. Hypothetical Memorandum of Understanding

APPENDIX A

THE UNIVERSITY OF MICHIGAN

OFFICE OF ACADEMIC AFFAIRS

QUESTIONNAIRE ON OBJECTIVES OF ACADEMIC UNITS

Instructions

IN RESPONDING TO THE QUESTIONS BELOW, ASSUME NO INCREASE IN RESOURCES ASIDE FROM THOSE YOUR UNIT CAN SECURE FOR ITSELF FROM NON-GENERAL FUND SOURCES.

In responding to each question:

1. Focus on the next five years.
2. Concentrate your attention on important objectives and their implications, discussing them in detail.

If there are other questions which, in your judgement, should be asked to clarify the nature of your objectives, please feel free to add such questions and appropriate responses. Also comment on questions which you believe to be inapplicable to your unit.

The immediate purpose of Phase I is to provide the Office of Academic Affairs with knowledge of each academic unit's objectives and an understanding of the implications of these objectives for establishing priorities and allocating resources.

1) What are the instructional objectives of your unit during the next five years? Please state objectives for:

    a) degree programs by level
    b) service teaching
    c) courses elected by students for their own growth and development
    d) continuing education

2) Will curricular changes be needed to meet the objectives specified above?

The size, qualifications, and composition (distribution by age, sex, and minority status) of the student body will be more important in the future than in the past.

3) Do you expect changes in the size, qualifications, and composition of your student body? If so, please discuss the changes, their causes, and their impact on your instructional objectives.

4) Does your unit face problems either in enrolling a sufficient number of qualified students or in accomodating a larger number of qualified students than current resources permit? If so, please discuss by program or level.

5) Is placement of graduates one of your unit's objectives? What are the anticipated placement trends over the next five years, and how will they affect your unit? Please discuss by program or level.

Inter-unit instructional cooperation, both within a college and between colleges, is becoming increasingly important for meeting instructional objectives and improving the use of resources.

6) Does your unit contribute in important ways to other instructional programs and activities in your school or college? Does your unit contribute to instructional programs and activities in other divisions of the University?

7) Do the instructional activities of other units either contribute to or detract from the pursuit of your instructional objectives?

8) Do other units in the University pursue instructional objectives and carry out instructional programs similar to those of your unit? If so, discuss the relationship of your unit to these units and comment on actual or apparent duplication.

9) Can you suggest changes which other units might make which would assist you in the pursuit of your objectives?

Maintaining and improving the quality of research (defined to include scholarly and creative activity) and nurturing the symbiosis of research and instruction will continue to receive high priority.

10) What are the objectives of your unit in conducting research over the next five years? Where appropriate, specify objectives for sponsored research separately.

11) How are your objectives for research related to your instructional objectives?

12) Do you expect changes in the kind and volume of research in you unit? If so, please discuss the changes, their causes, and their impact on your research and instructional objectives.

13) Does your unit contribute to the research activities of other units in your school and college? Does your unit contribute to the research activities of units in other divisions of the University (including museums, centers, and institutes)?

14) Do the research activities of other units contribute to your unit's research objectives?

15) Do problems exist in your unit in balancing the freedom of intellectual inquiry necessary for research, scholarly and creative activities with instructional and service needs and demands? If so, please describe these problems and indicate how they are being resolved or might be resolved.

While continuing its traditionally strong national and international service activities, the University probably will face increasing demands for service to the State and region.

16) What are the objectives of your unit in providing service (i.e., activities other than instruction and research) over the next five years?

17) Do you expect changes in the kind and volume of service performed by your unit? If so, please discuss the changes, their causes, and their impact on your service, research and instructional objectives?

The Office of Academic Affairs places high priority on maintaining and improving the quality of faculty and on taking affirmative action in faculty appointments and promotions.

18) Does your unit face problems in maintaining or improving the quality of its faculty?

19) Does your unit face problems in implementing affirmative action policies with respect to faculty appointments and promotions? If so, please describe these problems and indicate how they are being resolved or might be resolved.

The State's economic and political outlook implies unusually tight General Fund budgets. Thus is it imperative to consider reordering the priority of objectives, rearranging organizational structures, and reallocating resources.

20) Considering all of the objectives you have stated in response to preceding questions, which five to seven objectives will be most important to your unit during the next five years? It may be that some objectives are viable only in combination with others; if so, please discuss.

21) To what extent are your most important objectives commonly agreed upon within your unit? If serious disagreement exists, please discuss.

22) If some of your important objectives differ from those of peer units in other institutions, discuss how they differ and the reasons for your choice of focus.

23) Are there alternative organizational arrangements you would propose for your unit, either within your own college or in other colleges, which could enable you to pursue your objectives more effectively?

24) Are changes in support staff, facilities, equipment, and maintenance needed for you to pursue your most important objectives?

25) Are there activities in your unit which are no longer central to the pursuit of your objectives? If so, are there problems in phasing them out or reassigning them to more appropriate units?

26) Would your instructional, research and service objectives be altered if your present General Fund budget were reduced by 10%? Would objectives be altered if your General Fund resources were increased by 10%?

Please describe the process your unit used to respond to this questionnaire.

If documents have been developed during recent years which are still timely in explaining your objectives please attach copies to your response.

You are encouraged to share your response with other interested units, but you have the option to stipulate that it not be distributed beyond the bodies reviewing it for the Office of Academic Affairs. If you prefer the latter, please indicate.

APPENDIX B

HYPOTHETICAL EXAMPLE: NOT FACTUAL

MEMORANDUM OF UNDERSTANDING
1977-78 through 1981-82

The purpose of this memorandum is to spell out a mutual understanding of some basic objectives to be pursued by the College of Pharmacy during the next five years and the steps to be taken to achieve those objectives. This document not only describes objectives and plans of the College: it also represents a bi-lateral commitment on the part of both the College and the Office of Academic Affairs to make a good faith effort to implement these plans. It is an evolutionary agreement subject to change as events unfold, but only upon consent of both parties.

I. College Mission and Objectives (From Phase I report)

II. Instruction, Research and Service Programs

A. Objective: To strengthen education for pharmaceutical practice through introduction of a four-year Pharm. D. program.

Beginning in 1977-78 the College plans to phase-out its five-year Bachelor of Pharmacy program and its one-year Pharm. D. program, replacing both with a four-year Phar. D. program. Students will not be admitted to Pharmacy as freshmen but only after two years of college. This revised curriculum is expected to improve the qualifications of students entering the College and better meet the future needs of society with respect to pharmaceutical practice. Phase-out of the two current programs and phase-in of the new program will be virtually completed by the end of 1981-82. The implications of various aspects of this change are treated in subsequent sections of this memorandum.

B. Objective: To strengthen the clinical practice component of the College's instruction and research programs.

Both instructional workloads and research activities in the professional practice area need to be improved during the coming five years, and the College plans to effect these improvements through: 1) significant reductions in professional program enrollments; 2) selective increases in the number of faculty-practitioners and the quality of practice sites; 3) improvement in the research opportunities for pharmaceutical practice faculty, including collaborative research with basic scientists in the College and in other units; and 4) no reduction in full-time-equivalent faculty, but the movement of one FTE from General Funds to other sources of support. This, together with the reduction in enrollment, will serve to reduce the effective student-faculty ratio from 19:1 to 15:1, most of this relief appearing in the instructional loads of the pharmaceutical practice faculty.

C. Objective: To maintain the quality and enrollment levels of the College's current Ph.D. program.

The College is internationally known for its graduate program and the active involvement of Ph.D. students in the research of faculty. Within the constraint of constant resources, we can strive only to maintain our current level of excellence in this area of activity. Because pharmaceutical research is increasingly multi-disciplinary, means will be sought to support this program through joint appointments with other departments. We are currently discussing joint appointments with the Department of Medical Care Organization, School of Public Health, and with the Department of Internal Medicine, Medical School. During the course of the next five years we intend to make at least these two joint appointments through faculty turnover. If additional General Fund or other resources can be found, we intend to work with other departments to increase the number of joint faculty appointments.

D. Objective: To improve the quality and efficiency of program delivery.

As part of its five-year program of comprehensive evaluation, the College will examine carefully the merits of establishing two departments, one in pharmaceutical sciences and one in pharmaceutical practice. If this organization promises improvement in the efficiency and quality of program delivery, the departmental structure will be implemented.

We shall also examine carefully the frequency of course offerings and multiple course sections, in conjunction with the initiation of the four-year Pharm. D. program. The combination of the new curriculum and the planned enrollment reduction should permit us to reduce the number of course-section offerings and assign reduced teaching loads. The planning target for this activity is to reduce course-section offerings by 6%, or the equivalent of one full-time teaching load. That released time is tentatively designated for allocation to improved career-education and student counselling as described in Section III.

Finally, we shall review the committee structure and committee assignments of College faculty and reduce both the number and size of committees where feasible. Committees will not be asked to meet unless there are specific agenda items needing attention and specific deadlines for completion of each committee assignments.

III. Students and Student Enrollments

A. Objective: To reduce over-all College enrollment appropriate to the objectives and new programs described in Section 1, above.

Beginning in the fall of 1977 the College will no longer admit freshmen, phasing out the Bachelor of Science program over the following four years. At the same time the one-year Doctor of Pharmacy offering will be expanded to a four-year program, with students admitted in the junior year. Enrollments in other programs will be maintained at current levels. The College will seek to control enrollments to achieve the targeted levels described in Table 1. These targets call for a total reduction of 20% in fall-term headcount enrollment by 1981-82, above and beyond the decline which will occur through elimination of lower division enrollments.

Experience indicates that we can attract more highly qualified students at the junior than at the freshman level, and this improvement represents one of our objectives in the student area. Performance will be monitored by maintaining data on student qualifications, as described in Section VII. Our expectation is that approximately 75% of each incoming Pharm. D. class will be drawn from LS&A applicants and approximately 25% from other two-year and four-year institutions.

B. Objective: To develop a better career education and counselling program for our students.

Guidance and counselling for both potential and enrolled students cannot continue on their present, informal bases.

TABLE 1

College of Pharmacy
Target Enrollments, Fall Term Headcount
1977-78 through 1981-82

	LOWER DIVISION		UPPER DIVISION		FIFTH YEAR		SIXTH YEAR		RACKHAM AND OTHER		TOTAL	
	#	%O.S.	#	%O.S.	#	%O.S.	#	%O.S.	#	%O.S.	#	%O.S.
1974-75	196	10	173	7	81	7	33	61	61	51	544	16
1975-76	208	8	177	9	84	9	18	56	56	54	543	14
1976-77	165	8	177	9	71	9	18	56	59	54	490	14
PROJECTED 1977-78												
Old Pgm.	85	8	146	9	73	9	16	56	62	54	417	14
New Pgm.	-	-	35	9	-	-	-	-	-	-		
1978-79												
Old Pgm.	-	-	108	9	82	9	17	56	62	54	349	14
New Pgm.	-	-	80	9	-	-	-	-	-	-		
1979-80												
Old Pgm.	-	-	53	9	45	9	18	56	62	54	305	14
New Pgm.	-	-	97	9	30	9	-	-	-	-		
1980-81												
Old Pgm.	-	-	-	-	45	9	8	56	62	54	287	14
New Pgm.	-	-	103	9	41	9	28	9	-	-		
1981-82												
Old Pgm.	-	-	-	-	-	-	8	56	62	54	260	14
New Pgm.	-	-	103	9	48	9	39	9	-	-		

O.S. = out of state

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A committee has been charged with identifying specific improvements needed and developing a more formal program, as well as potential sources of funding. In the near future we shall act on the recommendations of the committee, within the availability of existing resources. Time equivalent to one additional FTE teaching staff member will be allocated to this improved service; the time will be released by a consolidation of offerings in the new Pharm. D. class schedule, as described in Section IID above. We shall also aggressively seek outside sources of support for further expansion of this function. Counselling activities will include admissions counselling for LS&A students, as well as for other undergraduates considering application to the College.

C. Objective: To maintain current levels of minority and female enrollment in pharmaceutical practice programs and increase those enrollments in graduate pharmaceutical science programs.

Minority and female enrollment in parmaceutical practice programs is currently quite high. On the other hand, we must ensure that women and minority graduates are encouraged to consider post-baccalaureate work in Pharmacy. While no specific targets for female and minority enrollments are projected, the College's success in this area will be monitored through the collection of trend data described in section VII.

D. Objective: To seek alternative funding sources to replace the present training grants of M.S. and Ph.D. students.

The declining availability of Federal training grants for graduate students continues. To remain competitive in attracting well-qualified graduate students, we shall aggressively seek alternative sources to fund these students. The Office of Academic Affairs and the Rackham Graduate School will match new sources of graduate student aid secured by the College on a dollar-for-dollar basis.

IV. Teaching and Other Staff

A. Objective: To maintain the present number of teaching staff and increase by one the full-time faculty supported from outside sources.

At present the General Fund supports 17.6 full-time-equivalent teaching staff members, 13.2

of these in the tenured ranks. This staffing results in a student-faculty ratio substantially higher than the average of peer schools of pharmacy. To achieve a reduction in the student-faculty ratio, the College plans to reduce student enrollments during the next five years and maintain the teaching staff at its current level. Concommitant with this reduction in the student-faculty ratio, faculty members, particularly those in parmaceutical practice, will be encouraged to fund a portion of their academic year salaries through sponsored research projects. By the end of the planning period, it is anticipated that this increase in sponsored research activity will offset a decline of one FTE supported by the General Fund.

B. Objective: To increase the disciplinary breadth of the parmaceutical science faculty.

In June of 1979 a faculty position will be vacated through a retirement. As suggested earlier in this memo, the College hopes to make two joint appointments; one with the Department of Medical Care Organization and another with the Department of Internal Medicine. The ECO appointment is planned at the associate professor level, one-third in this College and two-thirds in the School of Public Health. Provided satisfactory arrangements can be made, the Internal Medicine appointment will be .60 in Pharmacy and .40 in the Medical School.

C. Objective: To maintain and, if possible, increase the number of minority and female members of the college faculty.

There exists a very limited pool of potential minority and female faculty members. However, the College will aggressively seek to identify qualified persons and will take advantage of the University policy which funds, on a loan basis, appointments of highly qualified women and minorities when they are known to be available. Furthermore, the College will monitor its performance in this area as described in Section VII of this memorandum.

V. Other operational areas

A. Objective: To prevent further deterioration of instructional and research equipment.

Under the condition of constant resources, it will not be possible to improve materially the scientific equipment available to students and faculty. However, the College will seek to maintain its current complement of equipment and will devote sufficient General Funds to purchase and maintenance to achieve that objective. In addition it will seek to improve the equipment situation through research grants and other outside sources.

B. Objective: To maintain non-teaching support staff at its current level.

During the next five years the College will give highest priority to reduction of its student-faculty ratio and an increase in faculty research activity. This priority precludes additional staff support, even though some is needed. While research activity may well include nominal funding for secretarial and other support staff, that funding will presumably be accompanied by additional workload.

VI. Financial Support and Reconciliation

The basic financial plan is designed to achieve the objectives described above through maintenance of the College's instructional resources at their current level, in terms of dollars of constant purchasing power. The only exception is central matching of additional student-aid dollars secured by the College.

Due to the decline in planned enrollments, General Fund fee revenues generated by the College will fall unless student fee rates are revised. To compensate for this potential loss in revenue, students in the initial two years of the Pharm, D. program will pay Rackham fees; those in the last two years will pay fee rates equal to Public Health. The reduced program enrollment, using current fee schedules, would result in an annual reduction of student fee revenues of $92,000. The gain in student fee revenues by switching to Rackham fees for the 3rd and 4th years and School of Public Health fees for the 5th and 6th years is $70,000. Thus the net loss through reduced enrollment and increased student fee rates is estimated at $22,000 per year.

The target General Fund budget figures in Table 2 reflect the $22,000 loss, as well as the equivalent loss of one FTE teaching staff member. To maintain the teaching staff at its current level, the College will seek to support the equivalent of one additional full-time faculty member from non-General Fund sources.

The Office of Academic Affairs will aggressively seek General Fund support to accomplish these future budget allocations, after adjustment for University

TABLE 2

Target General Fund Budgets
1977-78 through 1981-82

FISCAL YEAR	PERSONNEL					NON PERSONNEL	TOTAL
	ACADEMIC UY		SUPPORT FY		TOTAL		
	FTE	$	FTE	$	$	$	$
1970-71	13.2	214,680	3.0	73,687	288,367	58,440	346,807
1971-72	13.0	223,932	7.0	77,310	301,242	57,118	358,360
1972-73	13.7	261,205	7.5	90,239	351,444	57,118	408,562
1973-74	14.6	284,865	7.8	98,471	383,336	57,118	440,454
1974-75	14.4	302,080	7.6	110,160	412,240	57,118	469,358
1975-76	16.5	389,277	5.9	97,981	487,258	58,831	546,089
1976-77	17.6	418,254	5.6	100,696	518,950	45,556	564,506
1977-78	17.4	413,900	5.6	100,700	514,600	45,600	560,200
1978-79	17.2	409,500	5.6	100,700	510,200	45,600	555,800
1979-80	17.0	504,100	5.6	100,700	505,800	45,600	551,400
1980-81	16.7	398,500	5.6	100,700	501,400	45,600	544,800
1981-82	16.4	391,900	5.6	100,700	496,700	45,600	538,200

NOTE: Current dollars through 1976-77; constant dollars for forecast.

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salary program and non-salary inflation-factor allocations.

VII. Analytical Information to be Available

A. Objective: To monitor College success in reducing its student-faculty ratio as described under Section IIB.

1. Fiscal-year-equated students per faculty FTE.

B. Objective: To monitor trends and faculty research under Section IIB.

1. Faculty FTE funded by organized research.
2. Total organized research dollars.
3. Annual evaluation of the volume and quality of faculty research output.

C. Objective: To monitor College success in meeting its enrollment targets and improving undergraduate student qualifications, under Section III.

1. Applications, admissions, new enrollment ratios by degree program.
2. Grade point averages (for first two years of college) for those enrolling in Pharm. D. program.
3. Actual enrollments relative to targets in Table 1.

D. Objective: To monitor achievement of the College's student counselling and career placement program objectives under Section IIIB.

1. Percent of alumni in various types of Pharmaceutical and other careers by years since graduation (1,3, 5, etc.) and level of degree conferred.
2. Sample surveys of student and graduate satisfaction with program.

E. Objective: To monitor trends in the minority and female composition of the student body, particularly graduate students, under Section IIIC.

1. Headcount enrollment by degree level, sex, and minority status.

F. Objective: To monitor student financial aid available to graduate students, under Section IIID.

1. Student financial aid by type of aid, source of aid, number of student recipients by degree program, and total dollars expended.

G. Objective: To monitor trends in the female and minority composition of the faculty, under Section IVC.

1. Regular instructional staff headcount, annual change, and numbers of new appointments and terminations by tenure status, sex, and minority status.

H. Objective: To monitor trend in General Fund support, under Section VI.

1. Actual General Fund dollars budgeted relative to targets in Table 2, after adjustment for salary programs and non-salary inflation allocation.

VIII. Comprehensive Program and Schedule of Events

(To follow here.)

ADDENDUM 1

(This addendum will describe departures from the basic memo for the "optimistic" financial assumption of a 10% increase in constant-dollar General Fund support over the next three years.)

ADDENDUM 2

(This addendum will describe departures from the basic memo for the "pessimistic" financial assumption of a 10% decrease in constant dollar General Fund support over the next three years.)

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